

2021-2022

ANNUAL REPORT

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2021-2022

ANNUAL REPORT

This is a translation into English of the universal registration document of the Company issued in French and it is available on the website of the issuer.
www.vilmorincie.com

Cover image and above: squash.

PROFILE

VILMORIN & CIE, A SINGLE CORE BUSINESS OF SEED

The 4th largest seed company in the world, pure play in its sector, Vilmorin & Cie creates, produces and distributes seeds for vegetable and field seeds with high added value, contributing to meeting global food requirements in a context of accelerating climatic, environmental and demographic challenges.

Vilmorin & Cie is a historical expert in plant breeding*, with around 6,000 varieties in its portfolio and several hundred new varieties marketed each year. It has become an international leader, offering all forms of agriculture, on all continents, the capacity to produce more and to produce better, while preserving the independence and freedom of choice of farmers and vegetable growers with regard to their other production factors.

Vilmorin & Cie relies on research & development for its ongoing growth, by investing more than 16% of its sales in R&D each year, and on the controlled internationalization of its business activities, in order to durably strengthen its competitive positions in the long term on structurally buoyant world markets.

True to its long-term vision of development, Vilmorin & Cie's strategy and performance are based on respect for the values shared with its parent company and reference Shareholder, the agricultural cooperative Limagrain: progress, perseverance and cooperation.

1,587.2
million euros
sales

95.4
million euros
net income

More than
7,200
permanent
staff



The competitive positions indicated in this Annual Report are based on disclosures available at the end of 2021.

VILMORIN & CIE'S BUSINESS MODEL

MAIN CHALLENGES FOR THE SEED SECTOR

- Increase in the world population and in food needs
- Growing urbanization and a trend towards a reduction of arable land
- Climate change and the preservation of natural resources
- Access to plant biodiversity
- Digital transformation



The **Limagrain** seed business

No. 4
seed company
in the world

No. 1
worldwide
for vegetable
seeds

No. 7
worldwide
for field seeds

A SPECIFIC DEVELOPMENT MODEL

- A single core business of seeds
- Organization very close to its markets
- A long-term vision of its development
- Three founding values: progress, perseverance and cooperation

AN AMBITIOUS STRATEGY OF WINNING MARKET SHARES

- Strong permanent investment in research & development
- Strong presence on international markets
- Capacity to combine targeted acquisitions and partnerships

A CSR PROGRAM ANCHORED IN THE COMPANY'S DNA

- Contribute to the lasting progress of agriculture through seed
- Act responsibly
- Encourage cooperation

MESSAGE FROM THE BOARD OF DIRECTORS



From left to right: Séverine DARSONVILLE, Marie-Yvonne CHARLEMAGNE, Éric GRELICHE, Sébastien VIDAL, Benoist DE SAINT LAGER, Géraldine BÖRTLEIN, Pierre-Antoine RIGAUD.

"The loyalty of your commitment enables Vilmorin & Cie to pursue its mission of creating value around a more than ever strategic asset: seeds."

Dear Shareholders,

Fiscal year 2021-2022 ended in a highly disturbed general context. After two years of an uninterrupted health crisis, which continued to penalize business in certain regions, war appeared on the doorstep of the European Union. The military offensive launched by Russia last February has upended the daily lives of millions of Ukrainians, destroying lives and infrastructure and reshuffling the cards of international geopolitics.

Along with energy, agriculture is one of the sectors most affected by this war. By jeopardizing the campaign that was underway at the time and weakening Ukraine's role as an exporter, the Russia-Ukraine conflict has revealed the weaknesses and limitations of the global agricultural production system. It has also highlighted the need to diversify cultivation zones in order to reduce the dependence of many countries on imports to meet the food needs of their populations. At the same time, there is growing concern about the ability of agriculture to feed people, not only in the future, but in the very short term. Extreme climatic hazards – drought, repeated heat waves, intense rainfall, observed on all continents during the year 2022, have rekindled fears of significant drops in yield and quality in future harvests. To address this issue, innovation is increasingly sought after and encouraged, first and foremost in plant breeding* and genetics.

In this turbulent environment, Vilmorin & Cie has succeeded in maintaining its role as a leading seed company. The internationalization strategy that your Company initiated more than twenty years ago, combined with its multi-crop approach, has provided a solid basis for resistance to the shocks of the past fiscal year. The excellent levels of the rapeseed campaigns in Europe in the summer of 2021, as well as the corn and soybean campaigns in South America, in particular, made it

possible to offset the losses recorded in Ukraine over the second semester. Thanks to the performance of its product portfolio, with several innovations that have again received awards this year, Vilmorin & Cie has managed to maintain its positions and further strengthen its market shares in certain crops, both in vegetable and field seeds. In addition to sales that grew by 6.2% on a like-for-like basis, to 1,587.2 million euros, net income for the period amounted to 95.4 million euros; up by 2.0 million euros compared with June 30, 2021, this was the highest net income since fiscal year 2012-2013.

Through these achievements, it is the unfailing professionalism and dedication of all Vilmorin & Cie's employees and partners that we would like to pay tribute to. The loyalty of your commitment, as Shareholders, as well as the constant support of Limagrain, our parent company and reference Shareholder, enable the Company to pursue its mission of creating value around an asset that is more strategic than ever: seeds.

We know that you are concerned about the regularity not only of the payout rate, but also of the amount of dividend: this is why your Board of Directors is proposing the payment of a dividend of 1.60 euros this year, constant in value compared to that paid out at the end of the previous fiscal year.

We look forward to seeing you on December 9 for your Annual General Meeting of Shareholders; this moment of exchange will be the first time we have had the opportunity to welcome you to Limagrain's home territory, in the heart of Limagne-Val d'Allier. We hope to see many of you here!

Dear Shareholders, we thank you for your trust and loyalty.

Your Board of Directors

MESSAGE FROM SÉBASTIEN VIDAL AND FRANCK BERGER

VILMORIN & CIE IN UKRAINE-RUSSIA



Sébastien VIDAL
Chairman and CEO

The Russian invasion of Ukraine last February was a shock for all the staff and Board Members at Vilmorin & Cie. As we take stock of the past fiscal year, we would like to pay tribute to the determination shown by our Ukrainian employees, as well as the outpouring of solidarity shown by all their colleagues, whether they are based in European countries or on other continents.

From the start of the conflict, Vilmorin & Cie's priority was to provide support to its 110 local employees and their families, through a dedicated crisis unit. Several assistance measures were rapidly deployed, and will be extended until the end of 2022. Donations and collections of basic necessities were also organized. In total, more than 20 employee families left Ukraine during the first weeks of the conflict and another 50 or so relocated to the west of the country. To date, all our employees and their families are safe and sound.

In spite of the difficulties and risks involved, the local teams mobilized very quickly to resume their activities, in particular by finalizing the delivery of seeds to distribution points, in order to enable farmers to start the spring sowing campaign. The reduction in cultivated acreage, the disposal of inventories by distributors – aimed at limiting the risk of losses in the event of the destruction of infrastructures – and the postponement of certain orders complicated the performance for the fiscal year, both for Field Seeds and Vegetable Seeds, but at a lower level than initially expected. In the end, the drop in business was relatively limited.

Vilmorin & Cie was therefore able to fulfill its mission as a seed company in Ukraine, providing the first link in the agricultural production chain, and consequently contributing to world food security. The Company also took part in a major donation of vegetable seeds initiated by the European Union. It is for the sake of this same imperative of food security that Vilmorin & Cie maintained its presence and activities in Russia. In this country, however, the project to build a seed factory, which had been included in the multi-year investment plan, has been suspended.

Finally, the direct and indirect impacts of the war in Ukraine on the business of a large number of economic players, particularly in the agri-food sector, have prompted Vilmorin & Cie to carry out a global review of its risk mapping, whether human, geopolitical, IT, financial, commercial, operational or even with regard to reputation. This annual report aims to present, as fully as possible, all the consequences of this conflict that Vilmorin & Cie has had to face during the second part of fiscal year 2021-2022, as well as the responses that have been provided.



Franck BERGER
Delegate CEO

UKRAINE-RUSSIA IN 2021-2022

€ **Sales:**
134 million euros (-4%⁽¹⁾),
i.e. 8.4% of Vilmorin & Cie's total sales

- Vegetable Seeds:
11 million euros
- Field Seeds:
123 million euros

👤 **204 employees,**
i.e. 2.7% of the total headcount

🏢 **Less than 1%**
of the net value of the Company's
total fixed assets

UKRAINE

Field Seeds (Limagrain Europe):

- 👤 93 employees
- 🏢 Kiev (administrative site)
- 🔬 Rohy (research station)
- 🌾 Main seeds distributed: sunflower, corn, rapeseed

Vegetable Seeds (Hazera) :

- 👤 14 employees
- 🏢 Kiev (administrative site)
- 🌾 Main seeds distributed: carrot, onion, cabbage, lettuce, tomato

RUSSIA

Field Seeds (Limagrain Europe):

- 👤 85 employees
- 🏢 Krasnodar (administrative site)
- 🔬 Krasnodar and Voronezh (research stations)
- 🌾 Main seeds distributed: sunflower, corn

Vegetable Seeds (Vilmorin-Mikado):

- 👤 12 employees
- 🏢 Moscow (administrative site)
- 🌾 Main seeds distributed: carrot, onion, cabbage, lettuce, tomato

Data concerning Vilmorin & Cie's activities in Ukraine and Russia in 2021-2022.

(1) Evolution with current data compared with fiscal year 2020-2021.

The support deployed

Measures of assistance:

- Advances on salary (up to 2 months)
- Payment of compensation for exceptional expenses
- Payment of rents
- International health and welfare coverage

Actions of solidarity:

- Assistance in the form of accommodation for refugee employees and their families (Poland, Romania)
- Collection of essential products
- Donation of 40,000 euros (supplemented by donations from employees) to two international humanitarian organizations working alongside Ukrainian people on their territory or in exile: the Red Cross and the United Nations High Commissioner for Refugees
- Creation of two solidarity funds by the Business Units Limagrain Europe and Hazera to support the Ukrainian people and employees
- Donation of vegetable seeds to Ukraine (particularly cabbage and tomato) of a value of 300,000 euros

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1.1. KEY FIGURES

1.1.1. KEY INDICATORS FOR 2021-2022

1,587.2

million euros

sales

(+7.5% with current data
and +6.2% on a like-for-like basis)

8.6%

current operating
margin rate

95.4

million euros net income
including a group share
of 92.2 million euros

39.8%

distribution rate
of income in 2021-2022

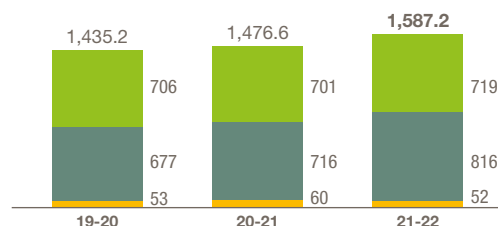
Almost

1.0

billion euros
market capitalization
on June 30, 2022

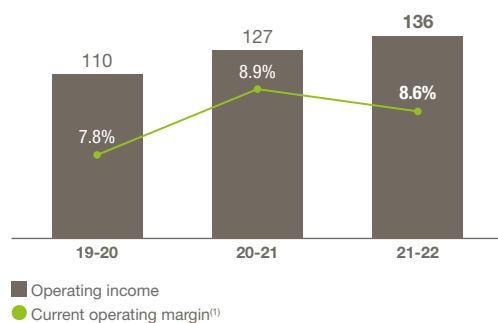
Evolution of sales

(in millions of euros - revenue from ordinary activities)



■ Vegetable Seeds ■ Field Seeds
■ Garden Products and Holdings

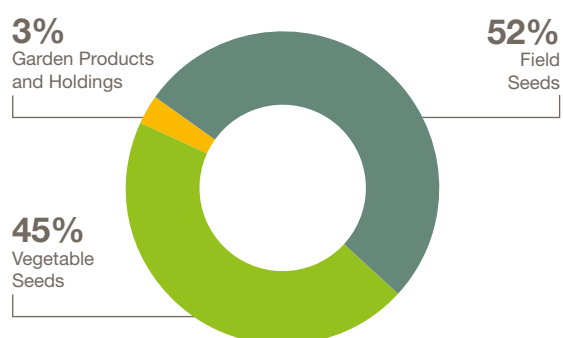
Evolution of sales	19-20	20-21	21-22
- with current data ⁽¹⁾	+3.2%	+2.9%	+7.5%
- like-for-like ⁽¹⁾	+2.7%	+8.0%	+6.2%

Evolution of the operating income
and the current operating margin
(in millions of euros and as a % of sales)

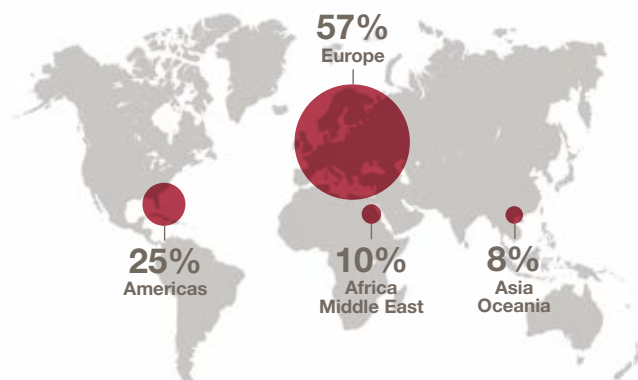
■ Operating income
● Current operating margin⁽¹⁾

(1) Definitions of these terms are presented in the financial and stock market glossary on page 288.

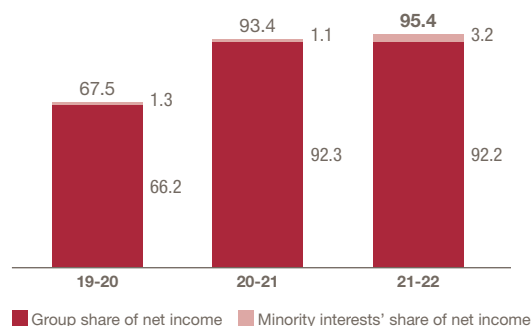
Analysis of sales in 2021-2022
according to activity
(as a % - revenue from ordinary activities)



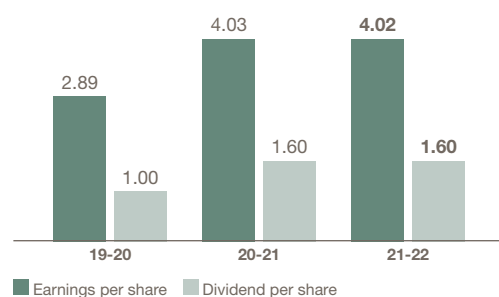
Analysis of sales in 2021-2022
according to geographical area
(as a % - sales of products)



Evolution of net income
(in millions of euros)

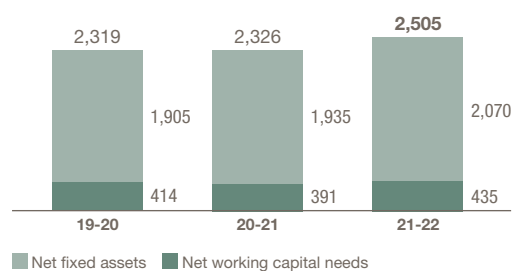


Evolution of the group earnings per share (EPS) and dividend per share
(in euros)

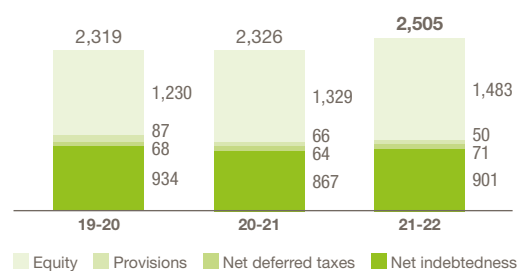


Balance sheet structure on June 30
(in millions of euros)

Assets



Liabilities



Subsidiaries in

49

countries and sales in
almost 150 countries

16.2%

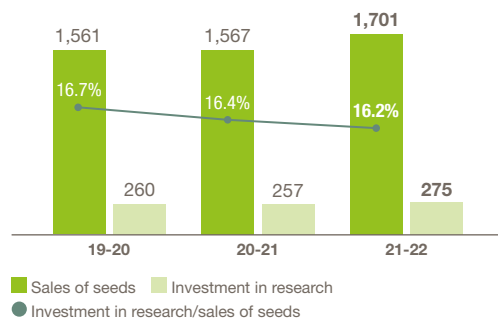
sales of seed 2021-2022
invested in research
& development

Around

6,000

varieties distributed
in the world
of which 442 new varieties
launched in 2021-2022

Evolution of investment in research⁽¹⁾
(in millions of euros and as a % of sales)



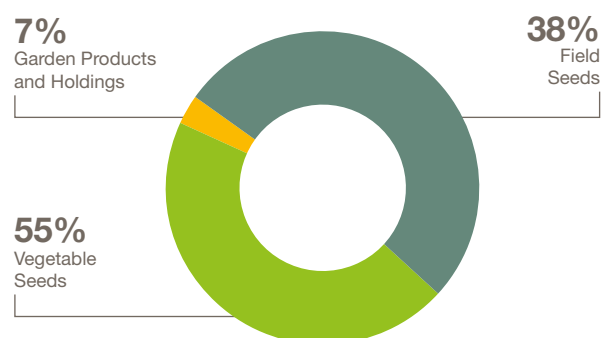
(1) Research investment refers to gross research expenditure before recording any research costs as fixed assets and tax relief for research. Data calculated from the sale of seeds for activities intended for professional markets and integrating 50% of AgReliant's business (North America. Field Seeds).

More than
7,200
permanent staff
in the world

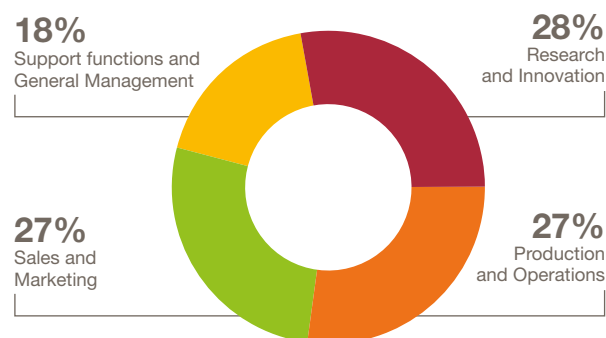
78
nationalities represented

An accident frequency rate with
and without work stoppage (FR2) of
6.53
accidents
per million hours
worked

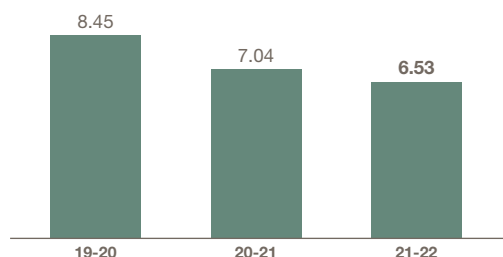
Analysis of permanent staff in 2021-2022
according to activity
(as a %)



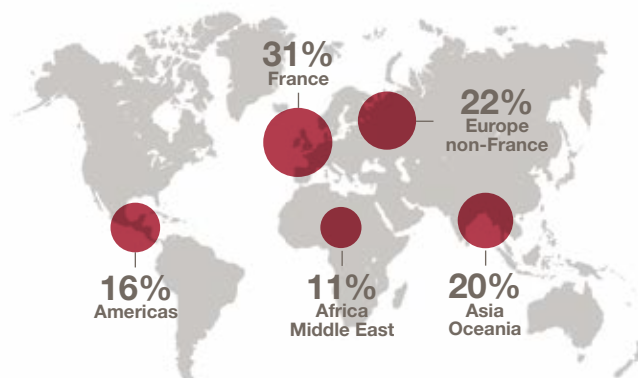
Analysis of permanent staff in 2021-2022
according to function
(as a %)



Focus on FR2
Evolution of the number of accidents
per million hours worked



Analysis of permanent staff in 2021-2022
according to geographical area
(as a %)



273 GWh

of energy consumed
including 11.8% of
renewable energies

173

initiatives and

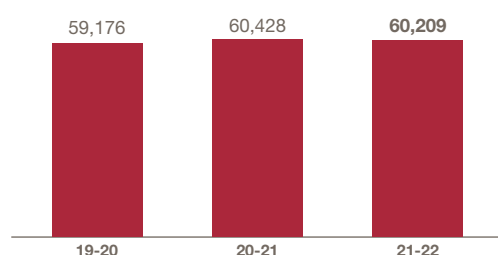
€680,378

devoted to corporate
patronage/sponsoring

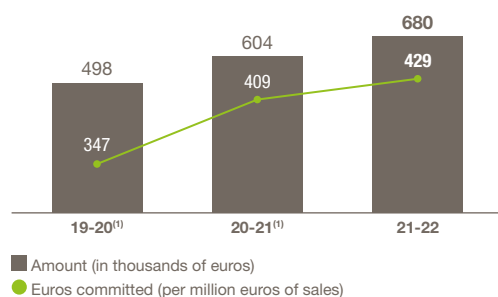
84/100

ESG Gaïa Research rating
on December 31, 2021

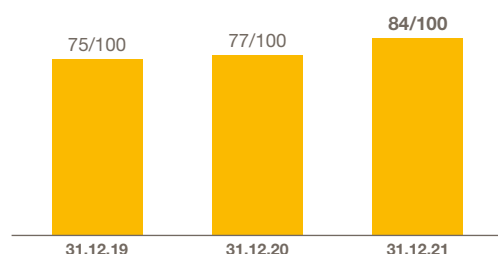
Evolution of greenhouse
gas emissions (GHG)
(in TCO₂e)



Evolution of societal commitment
(amount in thousands of euros and euros committed
per million euros of sales)



Evolution of Vilmorin & Cie's ESG rating
(Gaïa Research rating/100)



(1) To ensure comparability of data, the values for fiscal years 2019-2020 and 2020-2021 have been recalculated using the method applied for fiscal year 2021-2022.

1.1.2. KEY INDICATORS 2021-2022 FOR EACH ACTIVITY

Vegetable Seeds

No.1
worldwide

718.6
million euros
sales
(+1.2% on a like-for-like basis)

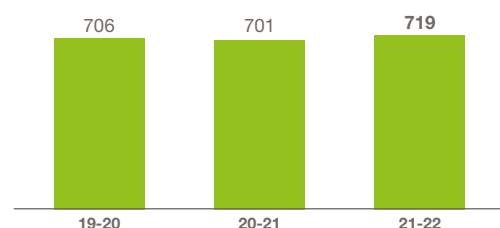
14.9%
current operating
margin rate

3,974
permanent staff

34
countries with locations

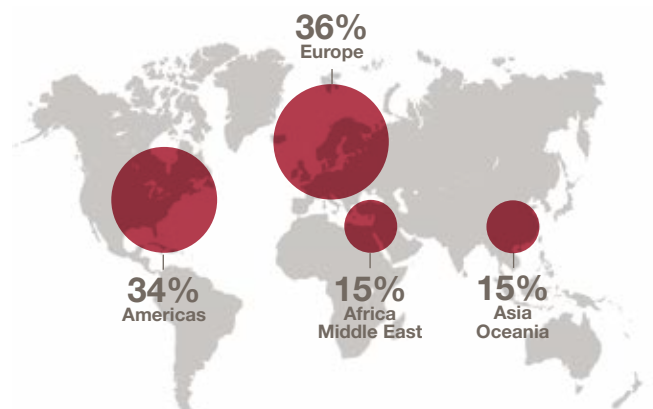
Evolution of sales

(in millions of euros - revenue from ordinary activities)



Evolution of sales	19-20	20-21	21-22
- with current data ⁽¹⁾	+2.6%	-0.7%	+2.6%
- like-for-like ⁽¹⁾	+2.5%	+4.1%	+1.2%

Analysis of sales of products according to geographical area (as a %)



(1) Definitions of these terms are presented in the financial and stock market glossary on page 288.

Field Seeds

No.7
worldwide

816.4
million euros
sales⁽²⁾
(+12.6% on a like-for-like basis)

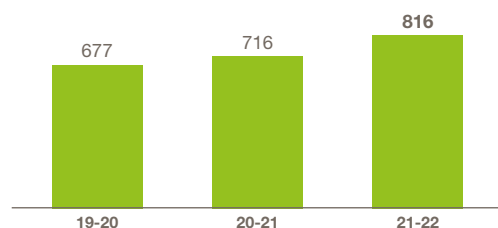
5.3%
current operating
margin rate

2,745
permanent staff

36
countries with locations

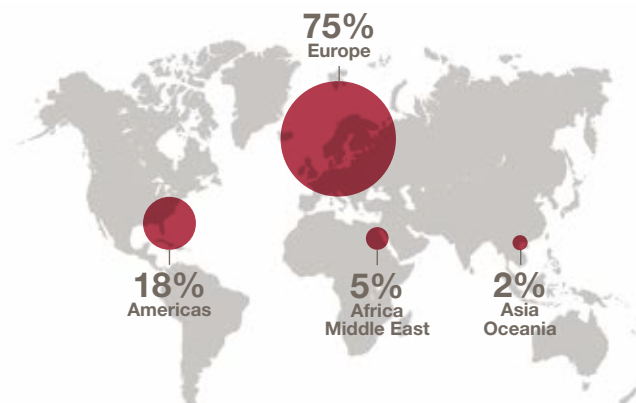
Evolution of sales

(in millions of euros - revenue from ordinary activities)



Evolution of sales	19-20	20-21	21-22
- with current data ⁽¹⁾	+4.2%	+5.8%	+14.0%
- like-for-like ⁽¹⁾	+2.9%	+11.5%	+12.6%

Analysis of sales of products according to geographical area (as a %)



(1) Definitions of these terms are presented in the financial and stock market glossary on page 288.

(2) Taking into account the impact of the standard IFRS 11, i.e. excluding AgReliant (North America. Field Seeds).

FIELD SEEDS IN EUROPE

642.4

million euros

sales

(+9.3% on a like-for-like basis)

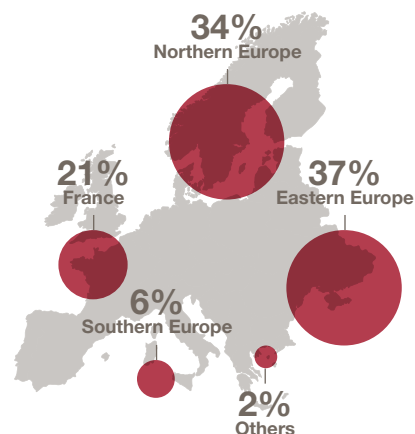
1,716

permanent staff

20

countries with locations

Analysis of sales of products
according to geographical area
(as a %)



FIELD SEEDS IN SOUTH AMERICA AND IN OTHER DEVELOPMENT REGIONS⁽¹⁾

174.1

million euros

sales

(+26.9% on a like-for-like basis)

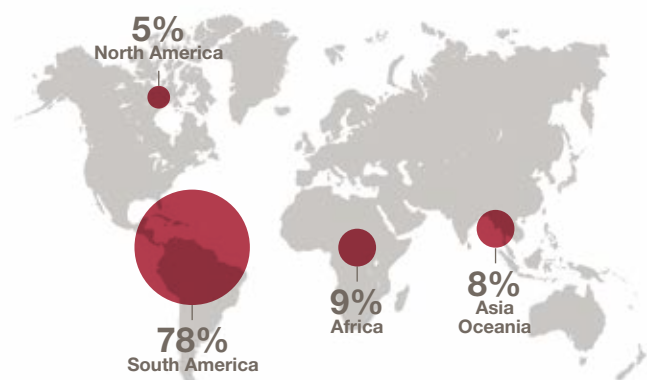
1,029

permanent staff

16

countries with locations

Analysis of sales
according to geographical area
(as a % - revenue from ordinary activities)



(1) Data including wheat seed activities in North America (i.e. sales of 8.9 million euros).

Garden Products and Holdings

52.2

million euros
sales

(-12.8% on a like-for-like basis)

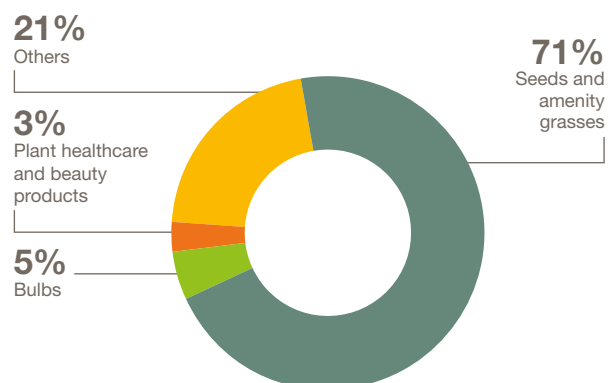
535

permanent staff

2

countries with locations

Analysis of sales of products (Garden Products)
according to product family
(as a %)

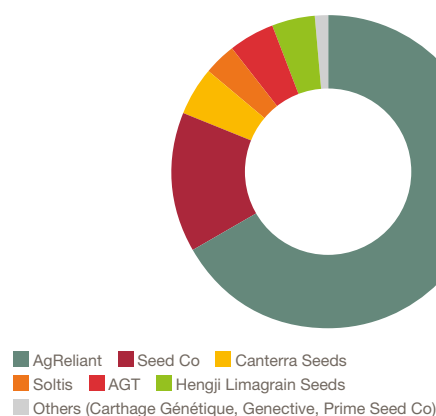


Strategic partnerships

719.8

million euros
sales⁽¹⁾

Sales from Vilmorin & Cie's strategic partnerships⁽¹⁾
(revenue from ordinary activities)



(1) Total sales 2020-2021 from each of Vilmorin & Cie's strategic partnerships: AgReliant, Seed Co, Canterra Seeds, Soltis, AGT, Hengji Limagrain Seeds, Carthage Génétique, Genective and Prime Seed Co.

1.2. HISTORY

Historical expertise and gradual international development

1.2.1. HISTORICAL EXPERTISE IN PLANT IMPROVEMENT

Vilmorin & Cie has been built on the foundations of almost 280 years of prestigious history. In 1743, the first boutique was opened at 4, Quai de la Mégisserie in Paris. Vilmorin & Cie's head office today is still located at this address. The boutique took on the name "d'Andrieux et Vilmorin" when Philippe Victoire de Vilmorin, a botanist and seed merchant, and Pierre d'Andrieux, a botanist of King Louis XV, joined forces in 1775. Following in the tracks of these two talented specialists from the realm of plants, subsequent generations made major discoveries and significant technical progress in plant improvement.

On the strength of this exceptional heritage, Vilmorin & Cie today benefits from one of the widest and most diversified expertise and genetic heritages* in the world, a true reference in the seeds sector.

1.2.2. KEY STAGES IN DEVELOPMENT

An agricultural cooperative created and managed by French farmers, Limagrain is today the parent company and reference Shareholder of Vilmorin & Cie.

Structured around field seeds since its creation in 1942, Limagrain succeeded in building up a vegetable seeds pillar through successive purchases, in particular Vilmorin in 1975, and Tézier in 1979. In 1989, Oxadis (today called Vilmorin Jardin) was set up to distribute all the brands on the French home garden market as a complement to these acquisitions.

1993: INTRODUCTION OF VILMORIN & CIE TO THE PARIS STOCK MARKET

In 1993, Vilmorin & Cie, which combined all Limagrain's Vegetable Seeds and Garden Products activities, entered the Paris stock market with a single ambition: to aim for world leadership on its markets.

From 1993 until 2006, the Vegetable Seeds activity continued to develop with the purchase in 1996 of Clause in France and Harris Moran in the United States, then Nickerson Zwaan (Netherlands) in 1998 and Hazera Genetics (Israel) in 2003.

Vilmorin & Cie also reinforced its investments in research: so in 2000 it became a shareholder of the Dutch biotechnology* company Keygene.

2006-2007: INTEGRATION OF LIMAGRAIN'S FIELD SEEDS INTO THE SCOPE OF VILMORIN & CIE

In 2006 Vilmorin & Cie integrated Limagrain's Field Seeds activity into its scope. At the time the Field Seeds activity was essentially European (with the integration of Nickerson's straw cereals activity in 1990, and the acquisition of Advanta Europe in 2005) and North American (AgReliant, a joint venture with the German seed company KWS, was founded in 2000).

This new broadened scope allowed Vilmorin & Cie to build up its resources in upstream technologies, take advantage of the new critical size to facilitate external international growth, and develop new research partnerships, to establish new growth relays and ensure a better risk spread.

2007: ACCELERATION OF DEVELOPMENT AND INTERNATIONALIZATION

Internationalization of the Vegetable Seeds activity was strengthened through the creation of a seed unit in Japan in 2007 (Mikado Kyowa Seed), acquisitions in the United States (Mesa Maize in 2010, Campbells' Seeds in 2012, Shamrock in 2013, Genica Research in 2016), in Turkey (Su Tarim in 2010), in India (Century Seeds in 2012) and in Vietnam (Tropdicorp in 2015).

With global ambitions in corn and in wheat, at the same time the Field Seeds activity enjoyed fast acceleration of its development, and Vilmorin & Cie progressively set up business in all parts of the world:

- in 2010, Limagrain Cereal Seeds was founded in the United States for the development of wheat in North America.
- in South America, business has been developing since 2011, with the acquisitions of Sementes Guerra and Brasmilho in Brazil. In 2018, Vilmorin & Cie significantly reinforced its organization and commercial positions in this region with the integration of the companies Sursem (Argentina) and Geneze (Brazil).
- in Africa, after the acquisition of Link Seed (South Africa) in 2013, the stake purchased in Seed Co, the largest African seed company, formed the base for solid development over the continent. Vilmorin & Cie and Seed Co are permanently strengthening the deployment of their partnership. Accordingly, in 2020, the two companies created two joint ventures: one based in Ghana and the second, established with another partner (Klein Karoo Seed Marketing), located in South Africa.

- in Asia, business is structured around three units: a unit in India after the integration of Bisco Bio Sciences⁽¹⁾ in 2013, a unit in South East Asia with the purchase of Seed Asia⁽²⁾ (Thailand) in 2014, and a unit in China built around the joint venture Hengji Limagrain Seeds created in September 2015.

Maintaining a strong research budget, Vilmorin & Cie signed strategic partnerships in wheat, in Australia with Australian Grain Technologies (2008) and in Canada with Canterra Seeds (2015). With regard to corn, in 2013 Vilmorin & Cie and its partner KWS founded the company Genective, in order to develop GM* traits* and allow Vilmorin & Cie to develop a proprietary line-up of seed for genetically modified corn varieties.

Year	Company name	Country	Nature of the operation	Activity
1743	Foundation of Vilmorin Andrieux			
1975	Vilmorin joins Limagrain			
1993	Introduction of Vilmorin & Cie to the Paris stock market			
1996	Clause	France	Acquisition	Vegetable Seeds
	Harris Moran	United States	Acquisition	Vegetable Seeds
1998	Nickerson Zwaan	Netherlands	Acquisition	Vegetable Seeds
2000	Kyowa	Japan	Acquisition	Vegetable Seeds
	Keygene	Netherlands	Research partnership and minority participation	Vegetable Seeds
2003	Hazera Genetics	Israel	Acquisition	Vegetable Seeds
2006	Mikado	Japan	Acquisition	Vegetable Seeds
	Limagrain's Field Seeds activity	Europe and North America	Acquisition	Field Seeds
2008	Global Genetics	United States	Isolated assets	Vegetable Seeds
	Australian Grain Technologies	Australia	Research partnership and minority participation	Field Seeds
2009	LSL Plant Science-LSL Biotechnologies	Mexico	Isolated assets	Vegetable Seeds
	Genefresh	United States	Isolated assets	Vegetable Seeds
	K&B Development	United States	Isolated assets	Vegetable Seeds
	Gentropic	Guatemala	Isolated assets	Vegetable Seeds
	Dahlco	United States	Acquisition	Field Seeds
2010	Su Tarim	Turkey	Acquisition	Vegetable Seeds
	Trinity Growers	United Kingdom	Acquisition	Vegetable Seeds
	Mesa Maize	United States	Acquisition	Vegetable Seeds
	Trio Research	United States	Acquisition	Field Seeds
	BSF Ag Research	United States	Specific assets	Field Seeds
	Genesis Seed Research	United States	Specific assets	Field Seeds
	Trigen	United States	Specific assets	Field Seeds
	Clovis Matton	Belgium	Acquisition	Field Seeds
2011	Genective ⁽³⁾	France	Research partnership	Field Seeds
	Sementes Guerra	Brazil	Specific assets	Field Seeds
	Brasmilho	Brazil	Specific assets	Field Seeds

(1) Company today named Limagrain India.

(2) Company today named Limagrain Thailand.

(3) Approval from the European Commission in 2013.

PRESENTATION OF VILMORIN & CIE

1.2. HISTORY

Year	Company name	Country	Nature of the operation	Activity
2012	Campbells' Seeds	United States	Isolated assets	Vegetable Seeds
	Century Seeds	India	Acquisition	Vegetable Seeds
	Eurodur	France	Acquisition	Field Seeds
	Boreal Plant Breeding	Finland	Research partnership and minority participation	Field Seeds
	Genetica Agricola	Brazil	Specific assets	Field Seeds
2013	Link Seed	South Africa	Acquisition	Field Seeds
	Bisco Bio Sciences ⁽¹⁾	India	Acquisition	Field Seeds
	Geneseed	Brazil	Specific assets	Field Seeds
	KSP	Brazil	Specific assets	Field Seeds
	CCGL	Brazil	Specific assets	Field Seeds
	Shamrock	United States and Mexico	Acquisition	Vegetable Seeds
	Eureka Seeds	United States	Acquisition	Field Seeds
2014	Seed Co	Zimbabwe	Minority participation	Field Seeds
	Green Land	Poland	Acquisition	Garden Products
	Seed Asia ⁽²⁾	Thailand	Acquisition	Field seeds
2015	Tropdicorp	Vietnam	Acquisition	Vegetable Seeds
	DNA	Brazil	Specific assets	Field Seeds
	Canterra Seeds	Canada	Research partnership and minority participation	Field Seeds
	Hengji Limagrain Seeds	China	Minority participation	Field Seeds
	Golden Acres Genetics ⁽³⁾	United States	Acquisition	Field Seeds
2016	Genica Research	United States	Acquisition	Vegetable Seeds
2017	Prime Seed Co	Zimbabwe and Botswana	Minority participation	Vegetable Seeds
2018	Graines Gondian	France	Purchase of business activities	Garden Products
	AdvanSeed	Denmark	Acquisition	Vegetable Seeds
	Sursem et Geneze ⁽⁴⁾	Argentina and Brazil	Acquisition	Field Seeds
2020	Limagrain Zaad South Africa	South Africa	Partnership	Field Seeds
	Seed Co West and Central Africa	Ghana	Partnership	Field Seeds
2022	Saskatchewan Pulse Growers	Canada	Research partnership	Field Seeds

(1) Company today named Limagrain India.

(2) Company today named Limagrain Thailand.

(3) Acquisition made by AgReliant (North America. Field Seeds).

(4) Operation achieved through the acquisition of Mars holding B.V., a Dutch company holding Sursem and Geneze.

1.3. CHALLENGES FACING THE SEED SEGMENT

Producing more and producing better

Producing more and producing better; the challenges facing agriculture are major. As the first link in the food chain, seeds play a crucial role to guarantee world agricultural production. Recent crises, whether health, geopolitical or climatic, continue to remind us of their strategic nature in preserving, ultimately, the food security of populations, today and even more so tomorrow.

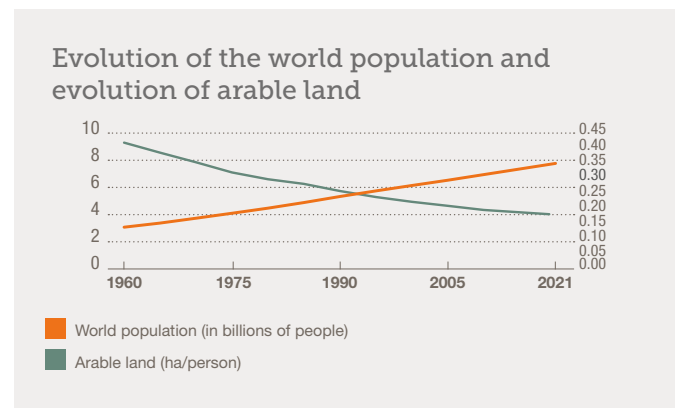
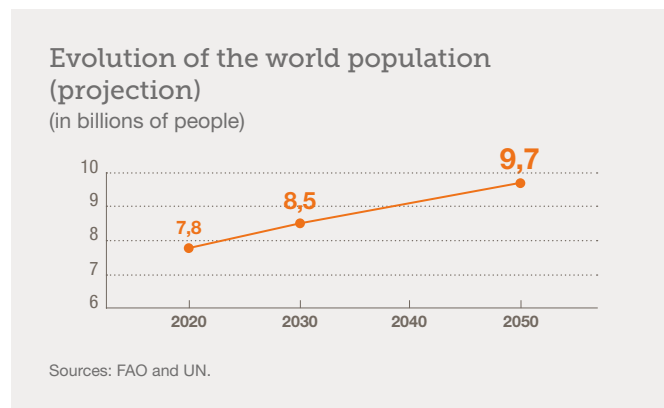
As an essential input* for farmers and market gardeners, seeds must meet high expectations in terms of adaptation to regions and growing conditions, yield, resistance (to diseases, stress, etc.), reduction

in the use of agrochemicals, and nutritional value for the end consumer. Access to the widest possible cultivated biodiversity and investment in research are essential, as is the integration of digital transformation into all stages of the development model. Finally, through its expertise in plant improvement, the seed company is a provider of solutions to enable agriculture to adapt to the effects of climate change and to take part in the mitigation of its causes.

1.3.1. PROPOSING EFFICIENT SEEDS TO MEET FOOD CHALLENGES

1.3.1.1. A NECESSARY INCREASE IN WORLD FOOD PRODUCTION

The current rate of increase in the world's population is unprecedented in history: each year it grows by an average of more than 82 million inhabitants. Having risen from 1.66 billion to 6 billion inhabitants in the 20th century, the world population is expected to reach nearly 10 billion by 2050⁽¹⁾. It is the Asian and African populations that will contribute most to this increase in the coming decades (that of Sub-Saharan Africa is expected to double over this period).



At the same time, the trend is towards a gradual reduction in arable land, due to urbanization, desertification and, more generally, the loss of soil quality. At the same time, growing conditions are becoming more complex, as a result of climate change, increasingly difficult access to natural resources, especially water, and restrictions on the use of plant protection products.

It is in this context that the increase in the world's population is occurring, accompanied by changing diets that are already leading to an increase in the need for agricultural raw materials. By 2050, food production will have to increase by 60% in order to meet global food demand⁽²⁾.

(1) Sources: FAO and UN.

(2) Source: IFPRI 2018.

1.3.1.2. GROWING USE OF COMMERCIAL SEEDS

Commercial seeds are being used more and more widely in the agricultural world and in all countries, despite many disparities. Thanks to their constantly improved technical performance, they have two major advantages:

- a significant improvement of yields,
- the guarantee of production perfectly adapted to the requirements of farmers and market gardeners (resistance to diseases and insects, shorter production cycles, simultaneous maturity, homogeneity of production, etc.).

The potential to replace farm seeds by commercial seeds remains significant in several countries where agriculture is being modernized, and for certain crops, in particular wheat. For example, about 50% of the European wheat market is covered by farm seeds; this rate is almost identical on average in the United States, even if it reaches up to 70% in certain states⁽¹⁾.

1.3.1.3. GMO* TECHNOLOGIES INCREASINGLY ADOPTED WITH GREATER VALUE

Genetically modified seeds are one of the solutions, helping farmers to rise to major agricultural and food challenges. Indeed, they make agricultural production more efficient:

- their yield per hectare can, in certain environments, be much higher than that of conventional seeds,
- they reduce the need for agrochemical treatments, thus optimizing production costs and, indirectly, contributing to respect for the environment.

THE ADOPTION OF GM* SEEDS

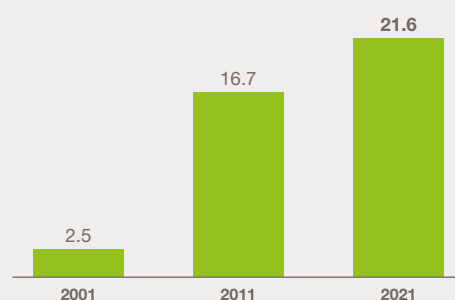
The GM* seed market now accounts for more than half the value of the global commercial seed market. In 2021, it grew 3.1% compared to 2020, with an average annual growth of 1.3% over the last five years⁽²⁾.

This market concerns only field seeds: soybean and corn represent the bulk of genetically modified crops in the world, followed by cotton and canola (spring rape). The crops are consumed locally for human or animal food/feed and are mainly exported to countries that have authorized their consumption (see insert on page 25).

The world market for GM* seeds in 2021⁽³⁾

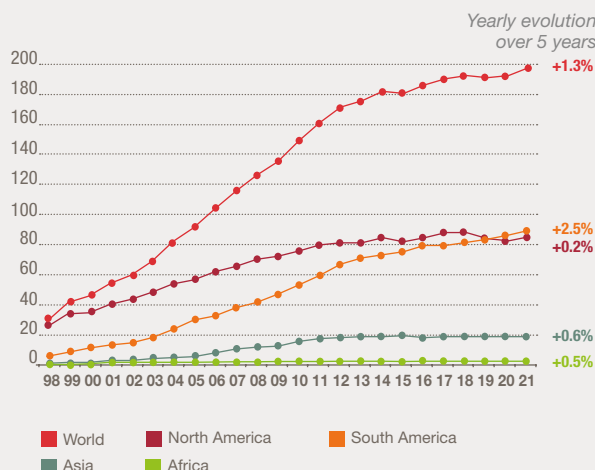
- **Market value:**
almost **22** billion dollars
- **World GMO* acreage:**
197.2 million hectares
- **Number of countries that sow GM* seeds: 29**

Evolution of the market value for GM* field seeds (in billions of dollars)



Source: AgbiolInvestor 2021.

Evolution of acreage devoted to genetically modified plants between 1998 and 2021 (in millions of hectares)



Sources: ISAAA and IHS Markit Crop Science© 2022.

(1) Internal source.

(2) Source: AgbiolInvestor 2021.

(3) Source: IHS Markit Crop Science© 2022 and ISAAA 2020.

Certain regions have fully adopted GMOs*, such as the Americas: the United States, Brazil, Argentina and Canada represent more than 85% of the world's GMO* acreage. In the United States, a precursor, the GMO* acreage has reached 93% for corn, 95% for soybean and nearly 100% for sugar beet. Similarly, in Brazil, where GMO* technology was adopted later, 88% of the corn acreage and 98% of the soybean acreage are said to be "GMO**⁽¹⁾".

Other markets remain latent, particularly in Asia and Africa. In India, for example, GM* crops only concern cotton⁽¹⁾. The same is true of China, which currently accounts for only 1.5% of the world's GMO* acreage, even though the Chinese corn market is the largest in terms of acreage in the world. The prospects for China's gradual opening up to GMO* technologies for corn and soybean seeds offer solid development prospects.

On the other hand, the European market is still lagging behind: the cultivation of GM* seeds is marginal (about 100,000 hectares in 2021) and there is no prospect of opening up to GMO* technologies in the near future.

The world regulatory environment for GMOs*

In total, 72 countries have regulations in force on growing and importing GMOs*: 29 countries grow GMOs* and 43 countries are only importers.

All these countries, without exception, have authorized GMOs* after a cumbersome and costly regulatory review process.

Source: <https://www.isaaa.org/resources/publications/briefs/55/executivesummary/default.asp>.

THE VALUE OF GM* SEEDS

Frequently combining several traits* and because they provide superior technical performances, genetically modified seeds are sold at a price 15% to 75% above that of conventional seeds, depending on their technical input.

Today, GMO varieties* mainly propose three traits*, often stacked: resistance to two insects for corn (corn borer and corn root worm) and tolerance to herbicides. In 2021, stacked traits* represented nearly 65% of the total market for GMOs*⁽²⁾.

The range of traits* on offer is expanding every year, with different traits* for insect resistance and others offering tolerance to several types of herbicides.

Vilmorin & Cie's strategy regarding GMOs* is presented in detail on page 67, in paragraph 1.8.2.2.

1.3.1.4. NBTs (NEW BREEDING TECHNIQUES): PROMISING TECHNIQUES

The term NBT refers to a set of recent methods of plant breeding* which are in continuity with conventional breeding methods*. Among these techniques, genome*editing techniques, and in particular directed mutagenesis* (CRISPR-cas 9 type), show several benefits – directed mutagenesis* is the action of inducing one or more mutations in a genome*, in a precise and voluntary manner.

These techniques make it possible to intervene in the plant's genome* using "molecular scissors" in order to extinguish or modify the expression of one or more genes, without the addition of foreign DNA, in order to obtain the desired trait*: resistance to a disease, adaptation to new climatic conditions, improved taste quality, etc.

These tools therefore allow breeders* to use the full potential of the favorable characteristics of a plant that could occur in nature, but whose probability of occurrence is very low. NBTs could therefore contribute to meeting challenges in the seed sector, particularly in terms of adaptation to climate change and food quality.

Vilmorin & Cie's approach regarding NBTs is presented in detail on page 59, in paragraph 1.8.1.1.

(1) Source: IHS Markit Crop Science© 2022.

(2) Source: AgBioinvestor 2021.

The global regulatory landscape for NBTs

In Europe, having identified difficulties in implementing the July 2018 court ruling, Member States asked the European Commission to conduct a study on the subject. The study, published in April 2021, concludes that the GMO* Directive is no longer adapted to scientific developments and must be revised to allow the use of directed mutagenesis* and cisgenesis* – which is the insertion into a recipient plant of a gene from a species that could be crossed by sexual reproduction with the recipient plant – and thus benefit from their contribution to more sustainable agriculture in the context of the policy objectives of the Green Pact.

Work to review the current legislation was initiated in September 2021 and a legislative proposal is expected to be submitted to the European Parliament and Council in the second quarter of 2023. The adoption of a new text is unlikely before the end of the current mandate of the European Parliament (May 2024) and could be postponed until 2026.

It should be recalled that in Europe, the decision of the Court of Justice of the European Union regarding the regulatory status applicable to plants obtained with new techniques of directed mutagenesis* (of the CRISPR type), issued in July 2018, considers that varieties derived from these new methods must be subject to the same regulatory constraints as GMOs* obtained by transgenesis*. This legal status governs the possibilities of using these technologies for products destined for European markets.

With the exception of the European Union, South Africa and New Zealand, all countries in which the regulatory status has been clarified so far have excluded or exempted products obtained by directed mutagenesis* from the scope of their GMO* regulations. As of June 2022, these include the following countries: Argentina, Australia, Brazil, Canada, Chile, Colombia, Ecuador, Guatemala, Honduras, India, Israel, Japan, Kenya, Nigeria, Paraguay, the Philippines and the United States. These varieties excluded or exempted from the GMO* regulatory field are subject to the regulations applicable to conventional seeds.

1.3.2. HAVING ACCESS TO PLANT BIODIVERSITY AND INVESTING IN RESEARCH

The creation of new and better performing seed varieties is a crucial element in meeting the need to improve the competitiveness of agriculture.

To achieve this, it is first necessary to have as many diversified genetic resources* as possible. The creation of partnerships with public or private players may prove necessary, as well as participation in programs for the preservation and exchange of genetic material. In all cases, particular attention must be paid to the protection of the rights of the creators of new plant varieties, which is the primary source of funding for research.

Mastering each of the stages in the profession constitutes another barrier to entry into the seed market. The seed company's expertise covers research, with cutting-edge plant breeding* technologies, production (which takes place in the field and then in the factory) and seed marketing, with networks that must be as close as possible to the markets, in order to better understand and anticipate the expectations of farmers and growers.

The seed business also involves a high level of investment, to finance the production cycle and working capital needs, and to set up distribution networks and marketing plans. However, research & development is the main area of capital expenditure.

Beyond these resources and expertise, the time factor is essential: on average, it takes 7 to 10 years for a seed company to market a new variety.

1.3.3. INTEGRATING DIGITAL TRANSFORMATION

1.3.3.1. AT THE SERVICE OF PLANT BREEDING

Creating a new high-performance seed variety means being able to identify the genetic combination that best meets the desired criteria, from the widest possible range of resources. By increasing and optimizing the capacity to collect, analyze, process and exploit databases, digital technology provides valuable assistance to breeders*, while guaranteeing them real-time availability of the data collected, wherever they are in the world.

Genotyping (decoding the plant's genome*) and phenotyping (description of its physical characteristics) have greatly benefited from the emergence of digital tools, and are two major contributors to the exponential growth in data volume.

There can be no plant breeding* today without mastering different IT domains: infrastructure, databases, applications, security, etc.

Managing risks related to cybersecurity

The multiplication and increasing complexity of information systems and access points create many opportunities for digital malicious acts, computer attacks and intrusion attempts. These risks increased considerably during the Covid-19 health crisis and, more recently, in the context of international tensions caused by the Russia-Ukraine conflict.

In order to respond to this, Vilmorin & Cie has implemented an ambitious policy on the security of information systems, with, in particular, the creation and management of a network of "Cybersecurity" correspondents in the Business Units, and awareness-raising among Board Members, Top Executives and employees, which was reinforced during fiscal year 2021-2022.

The management of risks related to cybersecurity is presented in detail on page 75, paragraph 2.2.1.1.

1.3.3.2. AT THE SERVICE OF CUSTOMER RELATIONS

The possibilities offered by the Internet, messaging and social media open up new opportunities for business relations, consultancy and communication. Such opportunities are further amplified by the development of tools for those on the move, increasingly efficient mobile networks., and their accelerated deployment as a result of the Covid-19 health crisis.

This trend allows for a more regular and responsive relationship between seed companies and farmers, market gardeners and distributors, while opening up new avenues of loyalty and advice. All over the world, although the applications and uses are different, the exchange of information and advice between seed companies and their customers is increasing. For sales teams, this means a more detailed and exhaustive approach to the behavior of their product lines with each customer, or, for product development teams, the ability to easily set up simple tests or demonstration networks to showcase effects on vegetation or yield.

1.3.3.3. AT THE SERVICE OF AGRICULTURE

Massive data collection, precision agriculture and disintermediation are the three areas of digital mutation in agriculture.

Today, digital data is the basis of every farmer's or grower's practice. The multiplication of connected objects (buried probes, sensors installed in pens or on machines, etc.) and satellite imagery offers increasingly detailed, updated and personalized data. This has led to a change in approach: whereas agriculture used to progress by accumulating local knowledge with each harvest, it is now the ability to simultaneously access multi-local data from a variety of conditions that is becoming a source of major advances.

As it is collected and analyzed, this data becomes the basis for precision agriculture, which is the practical application of digital agriculture and whose objective is to optimize growing conditions in order to make the best use of production factors (soil, farm equipment, fertilizers, seeds, plant protection products). In terms of seeds, sowing density modulation, prediction of sowing or harvesting dates, and even the choice of varieties are some of the applications. Vilmorin & Cie is therefore working on the development of complete and innovative solutions⁽¹⁾, enabling farmers to manage their crops, from sowing to harvesting, and to make the most of the potential of each seed variety. These solutions integrate several areas of expertise: genetics, agronomy, technologies (data sensors for example) and data analysis.

The investment and training required to use precision agriculture can be an obstacle to its use in regions where farms are generally small in size. In this case, agricultural contractors, and any other players benefiting from a direct contact with the farmer, can play a role as intermediaries and prescribers.

Finally, in the agricultural sector as in other market sectors, digital technology is synonymous with disintermediation. To buy, sell or be advised, farmers now have new ways of communicating and acting, which are all opportunities for seed companies to enter into simpler and more direct relationships with their end customers.

(1) Examples of tools are presented on page 40, paragraph 1.5.2.1.

1.3.4. PROVIDING SOLUTIONS TO THE CHALLENGE OF CLIMATE CHANGE

Climate change represents a major challenge for agriculture. Among its manifestations, periods of drought or increasingly long, frequent and intense rainfall are observed in many regions of the world, with serious consequences for crops, particularly in terms of yield and quality. Diseases that were previously identified only in certain geographical areas now affect more temperate latitudes, forcing all players in the agricultural sector to adapt, innovate and rethink their practices.

Through their research & development investments, seed companies are creating plants that are tolerant of dry conditions or the cold in winter, or early varieties that are adapted to the regions for which they are intended, and capable of expressing their full potential before the arrival of high temperatures.

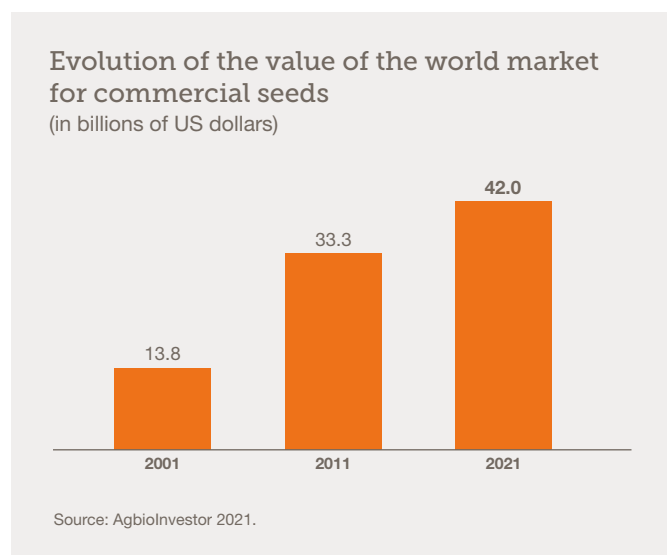
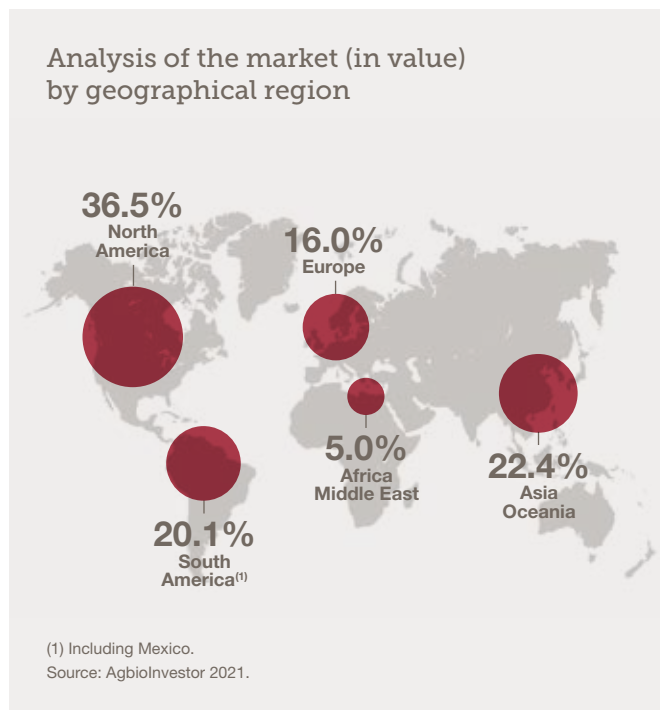
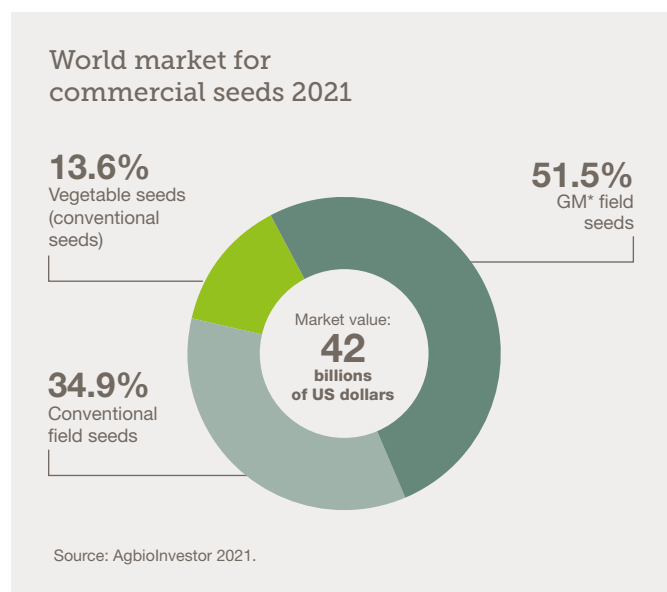
At the same time, more and more studies agree on the decisive role that agriculture can play in the fight against global warming. The possibilities offered by the plant world are now widely considered, not only to reduce the environmental pressure of food but also to contribute significantly to the reduction of greenhouse gases. Thus, the nitrogen-fixing properties of legumes (soybeans, dry peas, faba beans, lentils, beans, lupins) are highly valued: by limiting the need for nitrogen fertilizers, these plants contribute to a low-carbon approach to agriculture, while preserving the quality of soils and groundwater.

Combined with the implementation of new sustainable agricultural and agronomic practices (limited ploughing, crop rotation, etc.), plant breeding*, which improves plant performance, enables agriculture to adapt to the effects of climate change and to play its part in mitigating its causes.

1.4. THE SEED MARKET

An essentially growing market

Representing 42 billion US dollars in 2021, the global seed market has promising development prospects, boosted in particular by demographic growth.



1.4.1. THE MARKET FOR VEGETABLE SEEDS

The vegetable seeds market has a structural growth dynamic, the fundamentals of which are :

- population growth,
- increase in the technological level of seeds in the different markets,
- increase in the value of vegetable sales in developed countries.

Its value was estimated to be at around 5.7 billion dollars in 2021⁽¹⁾.

Globally spared by the effects of the Covid-19 health crisis, the vegetable seeds market nevertheless experienced a certain slowdown in the second part of fiscal year 2021-2022, caused by the Russia-Ukraine conflict and its inflationary consequences.

Over the fiscal year, the vegetable seeds market was moreover impacted by unfavorable currency fluctuations (Turkish lira, Brazilian real) and more favorable ones (US dollar).

Despite a temporary slowdown, the vegetable seeds market remains resolutely buoyant, supported by population growth and the greater use of commercial seeds in developing markets (Asia and Africa, in particular).

(1) Source: AgbiolInvestor 2021.

1.4.1.1. MANY HIGH VALUE-ADDED NICHES

The operators on the vegetable seeds market work side by side in the major production and consumption zones.

The sector has become highly concentrated yet it still remains scattered in terms of products. This segmentation can be explained by the numerous specificities of the vegetables market, and in particular by the great diversity of crops - more than 150 botanic species are cultivated throughout the world. In addition, within each species, there are a multitude of product types (melons, for example, have about 20 main typologies, with the greatest diversity in Europe and Asia), and therefore extensive commercial line-ups, offering a wide variety in terms of shape, size, color and taste.

In this way, all the sales possibilities can be covered, from production in season to that of counter-season, while responding to the tastes and eating habits of the population. Some production is highly region-specific, such as Daikon radish in Japan or tomatillo in Mexico, while other vegetables are produced worldwide. This is the case of tomatoes, the most cultivated and consumed vegetable in the world, representing nearly one third of global acreage devoted to vegetables. Tomato also the world's leading crop in terms of value. Onion, cucumber, bell pepper, watermelon, carrot, melon and lettuce are also world-leading crops in terms of value.

The segmentation of vegetable markets is also due to the wide variety of vegetable production methods (open field, cold or heated shelters - tunnels, plastic greenhouses, glass greenhouses, etc.) as well as the wide geographical dispersion of production areas.

Therefore, the world market for vegetable seeds is composed of many niches, with particularly strong added value.

1.4.1.2. INNOVATION AT THE HEART OF MARKET GROWTH

The vegetable seeds market is highly sensitive to the technical performance of seeds. Indeed, the varieties that growers choose will determine the quality and added value of their production, while the cost of seeds remains moderate compared to that of other inputs*. It is therefore a strategic choice, above all driven by economic considerations, and by the criteria of yield, resistance to diseases and suitability to trends in consumption.

Consequently, even though the market for vegetable seeds is powered by the global increase in vegetable consumption, it is also dependent on the research results of seed companies and the development of innovation that can stimulate producers to purchase seeds with greater added value.

1.4.2. THE MARKET FOR FIELD SEEDS

The value of the world field seeds market was estimated to be more than 36 billion US dollars in 2021⁽¹⁾, including almost 22 billion US dollars for genetically modified seeds.

Corn holds the position of top crop in terms of value, representing more than 19 billion US dollars⁽²⁾, whereas wheat is the most widely cultivated world crop in terms of acreage, with more than 220 million hectares⁽³⁾ in 2021, which is 16% of arable land⁽⁴⁾.

Corn offers several outlets to meet both food and non-food needs. It is especially used for:

- animal feed: grain corn or forage corn,
- human food: corn is either consumed directly in the form of broth, pasta, tortillas (especially in the southern hemisphere), or is used in the food industry,
- the industrial sector, in particular for the development of plant chemistry (also known as "green chemistry"),
- the energy sector, with agrofuels, principally ethanol, produced from corn, representing about 40% of corn applications in the United States⁽⁵⁾.

The growth of the latter two markets, which are still limited in size, can have a positive impact on the volume of commercial seed activity.

Wheat is mainly used for human consumption and is the staple food for one third of the world's population. Soft wheat is used to make bread, biscuits and cakes, whereas hard or durum wheat is used to make pasta and semolina.

(1) Source: AgbiolInvestor 2021.

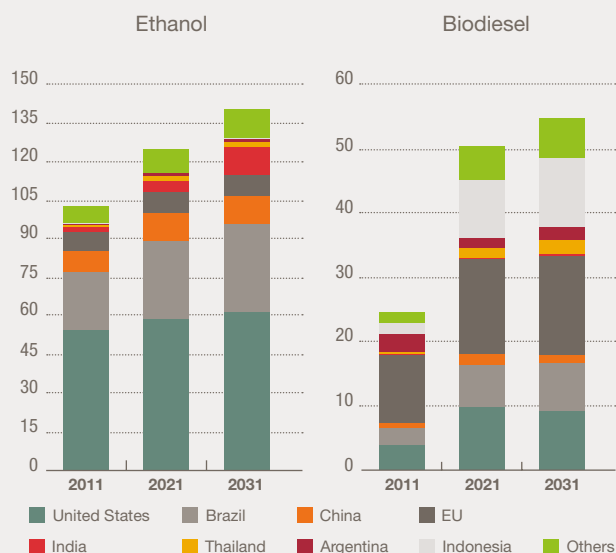
(2) Source: IHS Markit Crop Science© 2022.

(3) Source: USDA 2022.

(4) Source: FAO 2020.

(5) Sources: OCDE/FAO 2022.

Evolution of the world production of agrofuel
(in billions of liters)



Source: OCDE-FAO outlook.

Under pressure since 2013 – due to high overall stock levels – agricultural commodity prices regained some momentum during fiscal year 2020-2021, boosted by rising global demand (notably China, which tripled its grain purchases to more than 60 million tonnes) and the occurrence of climatic hazards in several regions of the world (the drought in western Canada affected rapeseed and wheat production).

The fiscal year just ended was marked by an increase in cultivated acreage (particularly for corn and soybean), as well as an unprecedented surge in the price of agricultural commodities, a direct consequence of the outbreak of the Russia-Ukraine conflict. Cereal and oilseed prices thus reached historic highs, even causing panic on the markets in March 2022 when, for the first time, the price of a ton of wheat in Paris exceeded 400 euros. Over the first quarter of 2022, prices rose by 30% for cereals and up to 51% for vegetable oils⁽¹⁾.

Tensions related to production losses and limited export capacity expected in Ukraine should continue to affect wheat, corn and sunflower prices. In addition, there are numerous logistical difficulties – particularly in maritime transport –, soaring fertilizer prices, increasing Chinese demand, and strong uncertainties related to weather conditions.

Evolution of the prices of corn and wheat in Europe between 2002 and 2022
(in euros per tonne)



Source: *Marché des céréales*, France Agrimer, June 2022.

1.4.2.1. THE MARKET FOR FIELD SEEDS IN EUROPE

The European market for field seeds is dominated by corn, straw cereals (wheat, barley), rapeseed and sunflower.

Winter crop acreages (wheat, barley and rapeseed) remained relatively stable compared to the previous year. Rapeseed acreage, after three years of decline, rose sharply for the 2021 sowing campaign, mainly in France, the United Kingdom, Germany, Poland, Ukraine, and the Baltic and northeastern European countries.

As for spring crops (corn, sunflower), they were affected by the Russia-Ukraine conflict, which caused significant acreage losses in Ukraine. As regards sunflower specifically, acreage nevertheless increased significantly in the rest of Europe, particularly in Romania, Spain and France as well as in Russia.

Evolution of cultivated acreage in Europe⁽¹⁾
(in millions of hectares)

	Acreage 21-22	Evolution over 1 year
Total corn	25.0	-5.3%
> Grain corn	16.1	-7.7%
> Forage corn and biodiesel	8.9	-0.7%
Soft (bread) wheat	21.4	-0.4%
Sunflower ⁽²⁾	21.6	-0.6%
Rapeseed ⁽³⁾	6.3	+12.7%

Source: internal estimates.

(1) The main countries in which Vilmorin & Cie is present.

(2) Ukraine and Russia represent almost 15 million hectares.

(3) Winter rapeseed.

(1) Sources: France Agrimer, FAO.

PRESENTATION OF VILMORIN & CIE

1.4. THE SEED MARKET

MARGINAL ACREAGE OF GM* CROPS

Growing, selling and importing genetically modified plants are subject to European legislation. To date, only one GM* variety (MON810 corn) is authorized for growing and selling in the European Union, whereas about 90 GMO* traits* or combinations of traits* for corn, soybean, cotton, rapeseed and sugar beet are authorized for import, mainly for animal feed⁽¹⁾.

Certain member states of the EU have decided to suspend authorization to grow MON810 corn. Indeed, a procedure allowing member states to prohibit the cultivation for commercial purposes of transgenic plants in their country was adopted in March 2015 (directive 2015/412) by the Parliament and the Council; it offers a wider legal base to prohibit such cultivation. 19 member states have chosen to make use of this option⁽²⁾.

Consequently, GM* varieties are only marginally grown in Europe, with about 100,000 hectares in 2021, mainly in Spain. Stable in recent years, they remain very modest on a world scale, and represent much less than 0.1% of world acreage⁽³⁾.

1.4.2.2. THE MARKET FOR CORN SEEDS IN NORTH AMERICA

After several years of growth, corn acreage in the U.S. fell by 3.8% to more than 36 million hectares⁽⁴⁾ during the fiscal year.

On the other hand, soybean acreage continues to grow as it did in 2020: up 1.0%, it now covers nearly 36 million hectares⁽⁴⁾.

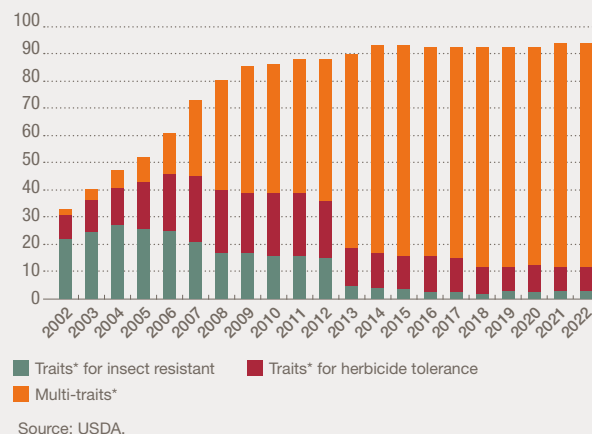
These opposing trends are linked to the surge in fertilizer prices, a direct consequence of the Russia-Ukraine conflict – Russia is one of the world's leading suppliers of nitrogen fertilizers such as ammonia and urea. Soybeans, which require less nitrogen fertilizer than corn, have been preferred by many North American farmers.

THE PREPONDERANT POSITION OF GENETICALLY MODIFIED SEEDS

Representing almost 38% of the world acreage for all crops combined, the United States is by far the biggest producer of genetically modified plants. They cover more than 93% of cultivated acreage in corn. Varieties stacking several resistance traits* represent a significant share of the market, estimated to be around 80% of corn acreage⁽⁴⁾.

Genetically modified seeds enable farmers to reduce their running costs significantly, for example agrochemical treatment, while guaranteeing a much more abundant harvest. They are therefore sold at a significantly higher price than conventional seeds.

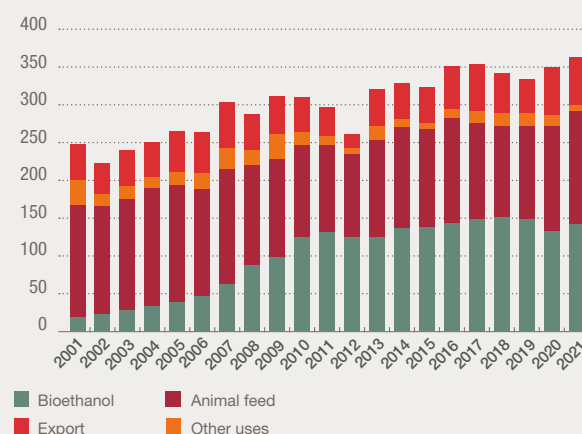
Evolution of the acreage of genetically modified corn in the United States (as a %)



AGROFUEL, A SIGNIFICANT OUTLET FOR CORN PRODUCTION

As of 2000, corn production in the United States was stimulated by agrofuels. High demand from bioethanol factories in particular was behind the strong increase in corn acreage. A large proportion of the use of corn in the United States is intended for this market: in 2021-2022, it stood at about 40%.

Evolution of the total applications for corn in the United States (in millions of tonnes)



(1) Source: https://webgate.ec.europa.eu/dyna/g+m_register/index_en.cfm.

(2) Source: https://ec.europa.eu/food/plant/gmo/authorisation/cultivation/geographical_scope_en.

(3) Source: ISAAA 2020.

(4) Source: USDA 2022.

1.4.2.3. THE MARKET FOR FIELD SEEDS IN SOUTH AMERICA

The world's third largest seed market in terms of value, South America accounts for 20% of the value of the global seed market, or 8.5 billion US dollars in 2021. Growing by more than 3% in 2021⁽¹⁾, it has significant development potential, particularly for field seeds.

While soybean holds a prominent place in terms of acreage, corn is also widely grown in South America: more than 32 million hectares were devoted to corn in 2021, including more than 21 million hectares in Brazil. Soybean and corn together account for over 82% of the South American seed market, mainly concentrated in Brazil and Argentina⁽¹⁾.

- Brazil, the world's third largest market for field seeds, has the particularity of offering, in some regions, two corn harvests per year: "safrá" (summer crop) and "safrinha" (winter crop). In 2021-2022, the acreage of "safrá" and "safrinha" crops rose sharply again: +9.8% for "safrá" corn and +4.6% for soybeans⁽²⁾. However, despite the promising outlook, the Brazilian market is still confronted with major climatic hazards: this was again the case in fiscal year 2021-2022, with floods and periods of drought that penalized seed production.

The country is also characterized by a very high rate of adoption of genetically modified varieties, particularly for corn: this reached 88% in 2021. Brazil is thus the world's second largest market in terms of GMO* corn acreage⁽³⁾.

- Argentina, although characterized by economic and financial complexity, represents a major market. It is the world's sixth largest field seed market (in value), with approximately 34 million hectares, more than half of which is devoted to soybeans (16.3 million hectares). Soybeans are now a pillar of the country's economy with the rapid adoption of GMOs*: almost 100% of soybeans are produced from GM* seeds⁽⁴⁾.

1.4.2.4. THE MARKET FOR FIELD SEEDS IN DEVELOPMENT REGIONS

ASIA

Asia is the world's 2nd largest seed market in terms of value, with more than 9 billion US dollars⁽¹⁾. The Asian market is also very buoyant, characterized by the continuous increase in population (which already represents more than half of the world's population), the emergence of the middle classes and changing consumer habits. Agriculture in Asia is mainly dedicated to domestic consumption and is undergoing major changes, particularly in terms of farm size, mechanization and the use of inputs*, especially seeds. Vegetables, rice, corn and cotton are the main crops, in terms of value, on the continent.

In this region of the world, China and India are both positioned as key countries:

- China is a major producer of cereal crops, and one of the major players in the world for rice and corn acreage. Its seed market is characterized by the modernization of its agriculture, progressive concentration of the local players and the involvement of the Chinese authorities in this strategic sector. In recent years, Chinese players have thus achieved a high-ranking position in the seed sector. Finally, on top of cotton, which is currently the only GMO* crop authorized in the country, the prospects for the gradual opening of the Chinese market to GMO* technologies for corn and soybean seeds represent a strong potential for development.
- In India, where self-sufficiency in food continues to be a major challenge, the seed market is also evolving very fast, driven by a growing population with steadily improving incomes. It is marked by an increase in the rate of use of commercial seeds by farmers and the rapid adoption of new technologies. In addition, the seed sector, which continues to become more structured, is characterized by a trend towards concentration in the number of local seed companies, which is currently very high.

AFRICA

By 2050, Africa will contain almost a quarter of the world's population⁽⁵⁾. In order to satisfy these immense food needs, farmers will require access to efficient seed varieties, which the majority of farmers do not have today.

The African market, which today represents less than one billion US dollars, has a low rate of adoption of commercial seeds, and in particular hybrid* seeds. It is therefore a very promising market with considerable development in years to come.

Corn is the main crop grown in Africa, and in 2021 represented around 20% of world grain corn acreage, with around 40 million hectares⁽⁶⁾. This concerns mainly white corn, which along with vegetables and poultry is a staple food for Africans, although acreage for yellow corn, intended for animal feed, is progressing to meet increasing poultry feed requirements.

Only South Africa is the exception, where yellow corn is a priority. It is a particularly promising market for field seeds, and corn above all, with almost 2.6 million hectares grown. The country is also fully focused on innovation: genetically modified seeds are already widely used by farmers.

(1) Source: AgbioInvestor 2021.

(2) Source: Conab 2022.

(3) Source: IHS Markit Crop Science© 2022.

(4) Sources: Bolsa de Cereales 2021, IHS Markit Crop Science© 2022.

(5) Source: United Nations Food and Agriculture Organization/FAO.

(6) Source: USDA.

PRESENTATION OF VILMORIN & CIE

1.4. THE SEED MARKET

1.4.3. A CONCENTRATED COMPETITIVE ENVIRONMENT

In recent years, several mergers have been concluded between major operators in the seed and agrochemical sectors, in a competitive environment that was already highly concentrated. As a result, even if market integration remains uneven across regions and crops, the top five seed companies, in terms of seed sales, now account for more than 50% of the world's commercial seed market⁽¹⁾.

These movements highlight a trend for companies in the agrochemical sector to consolidate their portfolio of assets by integrating or strengthening their seeds businesses, at a time when the agrochemicals market is being impacted by farmers' economic difficulties and by the gradual reduction in the use of plant protection products in several countries. However, these mergers have not significantly changed the size of the main operators' seeds businesses.

On the other hand, the geopolitical distribution of the main players in the sector has been significantly modified by these operations, highlighting in particular the emergence of Chinese players in world agriculture.

In this competitive landscape, Vilmorin & Cie maintains its solid position as the No. 4 seed company worldwide. No. 1 worldwide for vegetable seeds, the Company is positioned as a top world player in wheat seeds and a dynamic challenger in corn seeds.

Global competitive panorama

(Seeds business)

No. 1		Bayer
No. 2		Corteva Agriscience
No. 3		Syngenta
No. 4		Vilmorin & Cie
No. 5		KWS
No. 6		BASF
No. 7		DLF
No. 8		Rijk Zwaan
No. 9		LPHT
No. 10		Sakata

Sources: company disclosures and internal estimates for 2021.

Vilmorin & Cie, DLF and Sakata: data for 2021-2022;

Vilmorin & Cie and KWS: data before applying IFRS11.

(1) Sources: company disclosures and internal estimates, AgbiolInvestor 2021.

1.5. ACTIVITIES

A world leader in seeds

As the 4th largest seed company in the world Vilmorin & Cie is dedicated to its unique and historic business of seed. It is a pure play company and so does not operate in the agrochemical sector.

Vilmorin & Cie's activities are organized around two main divisions – Vegetable Seeds and Field Seeds –, along with a Garden Products business, aimed at the general public. The organization of each division into Business Units guarantees close proximity to the markets.

For fiscal year 2021-2022, Vilmorin & Cie posted consolidated sales of 1,587.2 million euros, up 7.5% with current data and 6.2% on a like-for-like basis compared with 2020-2021.

Despite a difficult situation on the vegetable seeds market throughout the year and the emergence of the Russia-Ukraine conflict during the second semester, the Company managed to exceed its objective for growth in consolidated sales and achieved a highly satisfactory fiscal year, demonstrating once again the resilience of its development model and the strategic and fundamental nature of its seed business.

1,587.2
million euros sales in 2021-2022
(+6.2% on a like-for-like basis)

VEGETABLE SEEDS

718.6
million euros
i.e. 45% of sales
in 2021-2022

3 Business Units

- HM.CLAUSE
- Hazera
- Vilmorin-Mikado



FIELD SEEDS

816.4
million euros
i.e. 52% of sales
in 2021-2022

5 Business Units

- Limagrain Europe
- Limagrain Americas⁽¹⁾
- Limagrain Asia-Pacific
- Limagrain Africa
- AgReliant⁽²⁾



GARDEN PRODUCTS⁽³⁾

52.2
million euros
i.e. 3% of sales
in 2021-2022

1 Business Unit

- Vilmorin Jardin



(1) Limagrain Cereal Seeds and Limagrain South America were merged on July 1, 2022 to form the Business Unit Limagrain Americas.

(2) Bearing in mind the application of the standard IFRS 11, AgReliant (a 50/50 joint venture with the German seed group KWS) has been recorded in the accounts using the equity method since fiscal year 2014-2015.

(3) Including the Holdings.

(4) Compensation for these services and the corresponding flows are set out in Note 34 of the Notes to Vilmorin & Cie's consolidated financial statements.

As the parent company of the group, Vilmorin & Cie carries out missions for the benefit of its subsidiaries, regarding general administration, human resource management, information systems and pooled upstream research programs⁽⁴⁾.

1.5.1. VEGETABLE SEEDS

Vegetable Seeds sales in 2021-2022

718.6

million euros

(+1.2% on a like-for-like basis)

No. 1 worldwide for vegetable seeds, Vilmorin & Cie creates, produces and distributes high added-value seeds for professional vegetable production. Its customers are growers – who produce vegetables for fresh markets – and processors, specialists in canning and deep freezing.

Vilmorin & Cie's product line-up comprises more than 80 different crops, for around 40 of which Vilmorin & Cie develops research programs, including the most widely consumed throughout the world: tomato, sweet and hot pepper, onion, watermelon, carrot, cucumber, melon, lettuce, cabbage, cauliflower, sweet corn, bean, summer squash, etc. The Company also proposes local crops such as witloof chicory in France, fennel in Italy, kabocha squash, mustard spinach and Cantonese cabbage in Asian countries and tomatillo in Mexico.

Vilmorin & Cie holds leading positions for several global crops (tomato – the main vegetable crop for value in the world –, carrot, melon, green bean, cauliflower), and local crops (fennel, witloof chicory and corn salad).

1.5.1.1. KEY ADVANTAGES: PROXIMITY TO MARKETS AND INNOVATION

A DIVERSIFIED MARKET APPROACH

In order to cover highly segmented markets efficiently, Vilmorin & Cie structured the Vegetable Seeds activity around three Business Units with a global vocation: HM.CLAUSE, Hazera and Vilmorin-Mikado.

The strategy for Vegetable Seeds is defined by the divisional management, particularly through two global functions:

- research, which defines and manages upstream research projects (genetic resources* management, development of breeding* tools). These shared resources and tools are made available to the Business Units,
- strategic marketing, which provides global analysis and a forward-looking view of crops and markets.

Each Business Unit is responsible for the operational management of its activities, with a commercial organization adapted to each of its markets. During fiscal year 2021-2022, investments were made in India in order to strengthen the sales teams, in line with Vilmorin & Cie's development ambitions in the peninsula. At the same time, in line with their digital approach to customer relations, Hazera and Vilmorin-Mikado respectively deployed a new commercial and institutional website over the period.

Moreover, the Business Units work in close coordination to best combine their product portfolios, brands, sales forces and distribution networks.

This organization, which combines a global vision and a local approach, makes it possible to adapt to the specificity of vegetable markets, which are extremely fragmented. It also makes it possible to cover a large number of local and niche markets, which are highly profitable, by offering a high degree of responsiveness in the expertise and solutions provided to vegetable growers and consumers.



A STRONG CAPACITY FOR INNOVATION

Thanks to strong continuous investment in research, Vilmorin & Cie develops seeds that meet the performance requirements of vegetable growers and processors: increased productivity, resistance to disease and insects, tolerance to climatic stress, adaptation to growing and processing conditions, conservation, etc. Several innovations meeting these challenges marked fiscal year 2021-2022:

- a range of sheltered summer squash resistant to the *New Delhi* virus, the first variety of which, *Dharma*, was launched in Spain in the summer of 2021 by HM.CLAUSE. Transmitted by insects, this virus causes considerable damage to crops and requires the use of large quantities of pesticides. With this new range, Vilmorin & Cie became the first seed company to offer a solution that guarantees the stability of summer squash crops, with safe and responsible production. Thanks to this innovation, the Business Unit HM.CLAUSE was recognized by the magazine *European Seed* as one of the 20 most climate-friendly companies in 2021,

- the first tomato varieties resistant to Tomato Brown Rugose Fruit Virus (ToBRFV) and Tomato Spotted Wilt Virus (TSWV), respectively pre-marketed in Mexico and available in Italy,
- corn salad seeds protected with biocontrol solutions to compensate for the ban on agrochemicals in seed treatment, marketed in Europe (mainly in France).

The varieties sold must also anticipate and meet consumer expectations (taste, appearance, etc.), taking their cultural diversity into account, while optimizing added value for professional vegetable producers. In 2021-2022, the Business Unit HM.CLAUSE launched several innovative varieties:

- firstly on the Italian market, with the first orange Romanesco cabbage, *Amoresco*. In addition to its unique color and beta-carotene content for consumers, this variety allows producers and distributors to diversify their product range,
- and then on the Spanish market, with *Minimel*, the first small winter melon, known for its flavor, which meets the need to adapt to smaller and smaller families and to fit into household refrigerators.

In addition to these two areas of innovation, Vilmorin & Cie intends to position itself on the segment of tomato seeds intended for high-tech greenhouses. To this end, the Business Unit Hazera has set up a dedicated team for fiscal year 2021-2022, and will soon be equipped with specific infrastructures. Furthermore, Vilmorin & Cie has launched a program to breed gherkin seeds in the Netherlands, which will enable it to address the European and Central Asian markets, as well as an initiative to optimize its research programs on cauliflower, with the aim of eventually becoming the world leader for this crop.

Finally, investments were made during the fiscal year on research and breeding* facilities:

- in China, both for the Business Unit Vilmorin-Mikado and for the joint venture Hazera Qiming Seeds,
- on "Rapid Cycling" in order to increase the number of breeding* cycles per year, for the Business Units Vilmorin-Mikado (lettuce) and HM.CLAUSE (tomato and cucurbits).

In total, Vilmorin & Cie offers several thousand different varieties of vegetable seeds that meet the diverse needs of all the players in the sector throughout the world.

1.5.1.2. PERFORMANCES AND HIGHLIGHTS FOR 2021-2022

On June 30, 2022, sales for the fiscal year for the Vegetable Seeds division stood at 718.6 million euros, an increase of 2.6% with current data compared with fiscal year 2020-2021. Restated on a like-for-like basis, growth of 1.2% was posted, slightly lower than the last objective set (which was an increase in like-for-like sales close to 2%).

In spite of a highly satisfying last quarter, fiscal year 2021-2022 closed with contrasting results depending on countries and crops, in a globally lackluster context, particularly in Europe. Moreover, performances were impacted by the stopping of the seedling activity in Japan, as well as that of the field seeds activity at the Business Unit Hazera (Vegetable Seeds. Israel).

PERFORMANCES AND HIGHLIGHTS PER GEOGRAPHICAL AREA

Whereas the outlook for growth had been promising since the emergence of the pandemic, the market for vegetable seeds has been destabilized by the onset of the Russia-Ukraine conflict and its inflationary consequences, particularly in Europe:

- transfers of open field vegetable crop acreage, to the benefit of field seeds, because of the surge in agricultural commodity prices and a lower value for fresh vegetable products, particularly regarding strategic or niche crops (carrot, cauliflower, onion, witloof chicory, fennel, and crops intended for industrial processing),
- unprecedented increase in the prices of agricultural inputs*,
- changes in the behavior of end-consumers, because of general inflation (drop in the demand for organic vegetables, for example).

Other structural factors come in addition to these observations:

- recurring problems of access to water or availability of manpower in Europe and the Americas,
- economic and political instability in Africa and the Middle East, with a hyperinflationary situation in Turkey,
- return of strict lockdown measure in China, following the discovery of new Covid-19 cases,
- persistent (drought on the west coast of the United States), and intense (monsoon in India) climate incidents.

Despite the general slowdown observed in Europe, in China and, until the third quarter, in the Middle East, Vilmorin & Cie's business recorded strong growth in the Americas, particularly in Mexico and South America. The momentum is also favorable in Asia, which remains an important development zone for the Company, particularly in India, Japan, South Korea and Vietnam.

PERFORMANCES AND HIGHLIGHTS PER CROP

As the world leader in tomato, Vilmorin & Cie confirmed its expertise and know-how in proposing varieties adapted to the needs of its different types of customers. Tomato experienced strong growth in the Americas, particularly in the United States, where new varieties intended for industrial processing were launched during the fiscal year; they offer optimized yields and are better suited to the technological criteria demanded by processors (ketchup, peeled tomatoes, etc.).

PRESENTATION OF VILMORIN & CIE

1.5. ACTIVITIES

Sweet peppers and hot peppers are also among the strategic crops on the rise, mainly in Spain, Mexico and Tunisia. The same applies to lettuce in France, Spain and the United States, thanks to the creation of new distribution channels and a high-performance genetic offer. By marketing the first summer squash varieties that are resistant to the New Delhi virus, Vilmorin & Cie also performed well for this crop.

While carrot seed sales increased in Turkey and China, they declined or were pushed back in Europe, especially France. Cauliflower was also down in Asia, as was melon in Europe. Finally, onion seed production was penalized by poor weather conditions, limiting supply capacities.

Among local crops, kabocha squash, for example, grew strongly in South Korea – thanks to a more competitive approach to the market – and in New Zealand. On the other hand, lower demand still hampered fennel sales in Italy, after overproduction at the end of the last fiscal year led to a sharp drop in sales prices and a reduction in cultivated acreage.

“Even if the growth posted remains below our expectations, fiscal year 2021-2022 was a very good year in the current market context.”

Rémi BASTIEN,
CEO for the Vegetable Seeds division

1.5.1.3. COMPETITIVE POSITION

The competitive landscape of vegetable seeds is characterized by a great diversity of players: global companies, some of which are active in both seeds and agrochemicals, regional or specialized companies, as well as a multitude of local players. But today the top five operators represent more than half of the world market for vegetable seeds.

Within this highly concentrated competitive environment and for the third consecutive fiscal year, Vilmorin & Cie can confirm its position as No. 1 worldwide for vegetable seeds.

Competitive position for vegetable seeds

	Companies	Countries
No 1	Vilmorin & Cie	France
No. 2	Bayer	Germany
No. 3	Syngenta	China
No. 4	Rijk Zwaan	Netherlands
No. 5	BASF	Germany

Sources: internal estimates and corporate disclosures.

1.5.2. FIELD SEEDS

Field Seeds

sales in 2021-2022

816.4

million euros

(+12.6% on a like-for-like basis)

No. 7 worldwide in field seeds, Vilmorin & Cie creates, produces and distributes high added-value seeds for farmers.

Within a diversified product portfolio, the Company has defined four strategic crops: corn, wheat, sunflower and rapeseed, two of which are global: corn and wheat, the world's leading crops in terms of value and acreage respectively. Complementary crops are proposed according to region: barley, soybean, millet, rice and pulses.

The Field Seeds division's activities cover Europe, the Americas, and, since 2010, new development regions. They are organized around two global functions (research and strategic marketing) and five Business Units to be able to address all the world markets:

- Europe, with the Business Unit Limagrain Europe (multi-crop offer),
- North America, with the Business Units AgReliant⁽¹⁾, a 50/50 joint venture with the German seed group KWS (corn and soybean), and Limagrain Americas⁽²⁾ (wheat, canola and pulses),
- South America, with the Business Unit Limagrain Americas (multi-crop offer),
- the other development regions with the Business Units Limagrain Asia-Pacific (India, China and South East Asia⁽³⁾) and Limagrain Africa.

On June 30, 2022, sales for the fiscal year for the Field Seeds division stood at 816.4 million euros, an increase of 14.0% with current data compared to fiscal year 2020-2021. Restated on a like-for-like basis, this growth came to 12.6%, significantly beyond the last objective fixed for the year (which was an increase in sales between 7% and 8% on a like-for-like basis).

While world agricultural markets have been severely shaken by the geopolitical and economic context, this progression – both in terms of volume and value – is historic for Vilmorin & Cie. Indeed, the second half of the fiscal year was largely disrupted by the emergence of the Russia-Ukraine conflict, which directly

(1) Bearing in mind the application of the standard IFRS 11, AgReliant has been recorded in the accounts using the equity method since fiscal year 2014-2015.

(2) Limagrain Cereal Seeds and Limagrain South America were merged on July 1, 2022 to form the Business Unit Limagrain Americas.

(3) The company Australian Grain Technologies, in which Vilmorin & Cie holds a minority stake, is part of the Business Unit Limagrain Asia-Pacific.

affected the main sunflower production zone in the world and a major corn production zone in Europe. Although activity was considerably reduced in Ukraine, it continued in Russia, where the Company considered it to be its responsibility, as the world's fourth largest seed company, to maintain the flows committed for the current campaign in order not to overly compromise world food production. In a remarkable display of mobilization, the Company's teams intensified their efforts to ensure the continuity of operations in the zone, as well as the delivery of seed orders, at a time when logistical difficulties continued to mount. The unprecedented performance of the Field Seeds Division is partly attributed to them. To this factor should be added the success of the rapeseed campaign in Europe and the corn campaign in Brazil in the first half of the year, which provided a solid basis for sustaining business throughout the fiscal year. This confirms the relevance of the strategy of internationalizing activities launched in 2010, as well as the performance of Vilmorin & Cie's germplasm, both in Europe and in South America.

"We achieved unprecedented sales growth in all our zones over fiscal year 2021-2022, despite the war which severely penalized us in Ukraine. This performance is due in particular to the very good work of all our teams, from research to sales, not forgetting production and support teams."

Régis FOURNIER,
CEO for the Field Seeds division

1.5.2.1. FIELD SEEDS IN EUROPE

The field seeds activity located in Europe focuses on farmers as customers, through distribution networks that vary according to the countries targeted and the crops distributed.

A KEY ADVANTAGE: A MULTI-CROP STRATEGY TO COVER ALL THE EUROPEAN MARKET

A product line segmented according to strategic interests

A major player in Europe, Vilmorin & Cie is active on the main European agricultural markets. In order to meet all farmers' needs, it develops a multi-crop offer, based on a broad portfolio of varieties, which includes:

- The main field crop seeds – corn, straw cereals (wheat and barley), sunflower and rapeseed – for which Vilmorin & Cie holds strong competitive positions. The company controls all the activities involved, from plant breeding*, with specific research programs, through to marketing. Vilmorin & Cie also offers pulses (pea and horse bean), through a specialized research program.
- Forage plants, which provide commercial synergies as line complements when the main crops are brought to market. Vilmorin & Cie has therefore formed partnerships, such as the one renewed in fiscal year 2021-2022 with the Danish company DLF, the world leader in the forage plant segment.
- Other crops (amenity grasses, cotton, sugar beet, etc.) distributed according to market opportunities, which complete the line-up.

Crops that generate long-term value

Corn, straw cereals (wheat and barley), sunflower and rapeseed, which represent the core products of Vilmorin & Cie's portfolio in Europe, are generators of value, in the short-, medium- and long-term.

- Corn is potentially a very profitable crop, given high-quality germplasm that is historically well-suited to the needs of the forage corn market in northern Europe. Vilmorin & Cie is positioned as the second largest player in Europe for forage corn seeds. This crop is liable to develop even further, particularly through the launch of new varieties developed for grain corn, the main corn market in Europe. These varieties are adapted to all applications (animal feed, industrial sectors such as starch and semolina production, energy production) and meet farmers' needs even better (higher yields, resistance to disease and stress, etc.). Among them, the 26 Hydraneo varieties, which are tolerant to water stress, form the core of an integrated service offer, combining a global diagnosis of the risk for the farmer's farm – using a digital tool that evaluates the frequency and stress of the plot based on the history of climatic data, the type of soil, its depth and cropping practices – with varietal recommendations and agronomic advice. Deployed in 17 European countries to thousands of farmers, Vilmorin & Cie's Hydraneo service offer was voted one of the 20 most important innovations by the magazine *European Seed* in its ranking of "the most climate-friendly companies in 2021."
- Straw cereals (wheat and barley), sold through two different distribution channels (long channel, from seed companies to farmers, and short channel, from seeds companies to agricultural cooperatives) have a life cycle that is longer than average. Their profitability, which is indirectly influenced by the prices of agricultural production, is lower than for other major crops, and can vary from one year to the next. Vilmorin & Cie's objective is to develop varieties adapted to different pedoclimatic contexts, with higher and more consistent yields, while being adapted to different outlets (food, animal feed, and the starch industry). Opportunities for the creation of value also involve, in the longer term, the development of hybrid* wheat. This is a strategic development for Vilmorin & Cie and is presented in detail on page 67, paragraph 1.8.2.2. Finally, the Company benefits from high-performance barley genetics and intends to become, in the long term, one of the reference breeders* for this crop.

- Sunflower, which is very similar to corn, benefits from very high-performance germplasm, and a solidly implanted European distribution network. Vilmorin & Cie's breeding* program focuses mainly on grain and oil yield, stress resistance and the introduction of disease and pest resistance traits*, particularly broomrape, a parasite that is prevalent in Europe, and mildew too. Vilmorin & Cie's objective is to develop a range of varieties adapted to all the markets, and to provide innovative solutions to maximize yield in the fields of sunflower growers.
- Rapeseed varieties, because of their agronomic profile, have a short lifespan. The crop, already extremely profitable because it has switched to a hybrid* form, will further improve because of the adoption of varieties with improved technical performances. Research programs include yield, oil content, pod-shattering resistance and disease. In this respect, the hybrids* marketed under the LG brand, first and foremost the LG Architect variety, combine the different traits*: resistance to "Turnip Yellow Virus", which can have a particularly strong impact on the yield of rapeseed in Europe, low sensitivity to pod-shattering and high yield potential, thanks in particular to good resistance to cold and drought. A true breakthrough innovation, this genetic offer has quickly become a must, and from 2018 to 2021, was the best-selling rapeseed variety in Europe. Two other hybrids*, known as N-FLEX varieties, from Vilmorin & Cie's portfolio are also ranked at the top: LG Ambassador and LG Aviron. Launched two years ago, in addition to these characteristics*, they have the capacity to optimize the use of nitrogen, which offers greater regularity in terms of yield and higher profitability for the crop. Two new N-FLEX varieties were added to the Company's product catalog in fiscal year 2021-2022: LG Atlas and LG Apollonia, which stand out for their resistance to fall beetles and flea beetles, respectively.

These last two crops – rapeseed in the north and sunflower in the south – represent an important opportunity with a growing demand, driven by the food industry and agrofuels.

Research work at the Business Unit Limagrain Europe is helping to increase and consolidate Vilmorin & Cie's competitive positions in Europe sustainably. Investments were consolidated, during fiscal year 2020-2021, by strengthening Limagrain Europe's equity capital to the tune of 25 million euros, with the support of Sofiprotéol, a financing and development company, and a subsidiary of the group Avril, which is committed to companies in the agro-industrial and food-processing world.

More generally, Vilmorin & Cie today combines its genetics with new innovative agronomic practices, to enable farmers to optimize their yields and safeguard their harvests. For example, the Peacor solution was developed by the Business Unit Limagrain Europe during the previous fiscal year. This diversion technique consists of sowing a strip of trap plant, very rich in protein, to limit bird damage and avoid the use of a chemical solution on spring crops. Suitable for corn and sunflower, Peacor can be used in organic farming.

Similarly, Vilmorin & Cie has launched Starcover, a biostimulant applied as a seed treatment, which combines a micro-organism and a plant extract with an innovative pelleting system. This combination, together with the best of Vilmorin & Cie's genetics, stimulates root development and efficiency for better yield expression. This major innovation creates added value for farmers and represents a true competitive advantage for Vilmorin & Cie. Today it is applied to corn seeds distributed in Western Europe and to rapeseed seeds.

A distinctive sales and marketing approach

The marketing strategy adopted by Vilmorin & Cie for the field seeds market in Europe is also one of the key factors in its success. In corn for example, the Company has fine-tuned the segmentation of its range according to two criteria: the market targeted (market for forage corn and industrial applications) and the qualities targeted (digestibility and starch content for forage corn, and varieties devoted to the production of agrofuels, etc.).

The objective here is therefore to propose a wide segmented offer to meet farmers' needs, around a brand that is strong and recognized by its customers, LG.

Moreover, in order to constantly strengthen its proximity to farmers, Vilmorin & Cie provides them, in addition to the product, with agronomic expertise and support aimed at making the most of the genetic potential of the seed.

In this respect, in terms of digital agriculture, Vilmorin & Cie offers the Agrility platform of digital tools, which provides numerous services to farmers, from sowing to harvesting. Through the collection of soil and climate data and historical observations of their plots, Agrility makes it possible to develop tailor-made solutions for farmers (optimization of sowing density, alerts during vegetation, yield forecasting, etc.), with a dedicated team of experts in big data, geostatistics, agronomy, modeling and IT.

Finally, Vilmorin & Cie's multi-crop strategy clearly recognizes the central role of agricultural distribution to exploit the value of its innovations. Vilmorin & Cie thus works closely with distribution – as well as with the processing industries – to meet farmers' demands. In this respect, privileged commercial partnerships that Vilmorin & Cie has maintained with European cooperative distribution networks represent a further advantage for the Company.

Field Seeds
in Europe

Main brand



PERFORMANCES AND HIGHLIGHTS IN 2021-2022

During fiscal year 2021-2022, Vilmorin & Cie posted significant growth in sales in Europe. They amounted to 642.4 million euros, up 9.3% with current data and on a like-for-like basis, representing a historic and remarkable performance. The increase in sales was achieved in all strategic crops, although activity was largely scaled back in Ukraine.

- In corn, the sales campaign was of good quality, thanks in particular to a very successful month of March. In spite of a market that was globally oriented downwards, due to the consequences of the Russia-Ukraine conflict (loss of acreage in Ukraine, drop in competitiveness of the crop in the context of inflationary prices for nitrogen fertilizers), Vilmorin & Cie managed to beat the historical record for the number of units sold by its Field Seeds division over the fiscal year, with a marked increase in sales prices. The strongest growth was achieved in the north-east of Europe, particularly in the Netherlands and Russia, for both forage and grain corn. Thanks to this fine performance, Vilmorin & Cie confirmed its position as the fourth largest European player in corn seeds at the end of the fiscal year.
- In straw cereals (wheat and barley), the renewal of seed lines, through the varieties LG Astronomer and LG Audace, enabled Vilmorin & Cie to regain momentum in the United Kingdom and Germany in particular. The activity of delegating varieties within the short distribution circuit, on which the Company has chosen to concentrate in several countries (Belgium, for example), was up by more than 8% and contributed to generating more than 36 million euros in royalties*. The marketing activity for the long distribution circuit remained low, as was the case for the

previous fiscal year. On June 30, 2022, Vilmorin & Cie was the second largest European player in straw cereals, with a leading position in wheat.

- In sunflower, the activity was directly penalized by the Russia-Ukraine conflict, as Ukraine is the main production zone for this crop in the world. Ultimately, despite overall lower sales volumes, the results for the 2021-2022 campaign were much more favorable than expected, thanks to a very strong performance in Russia, Central Europe and Western Europe. The increase in acreages in these zones provided new opportunities to which Vilmorin & Cie was able to respond, thanks to the greater availability of seeds and highly appreciated germplasm. In addition, there were fewer returns in France, where acreages increased significantly, and where some distributors preferred to keep stocks with a view to probable price increases. At the end of this past fiscal year, Vilmorin & Cie maintained its position as the third largest European player for this crop.
- The fall 2021 rapeseed campaign was the greatest success of the fiscal year: as in previous years, the excellent genetics of the product catalog, as well as the performance of its sales and supply chain teams, enabled Vilmorin & Cie to further strengthen its position as European leader in this crop for the second year running. Thanks to sharply rising sales volumes and prices, the Company continued to gain significant market share in all countries, with a very favorable overall trend – a market that grew by more than 10% (internal estimates) – and a 12% increase in acreage on the continent (Kynetec data). In addition to this strong competitive advantage, the outlook for the rapeseed market looks very promising in the context of rising agricultural commodity prices.

The consequences of the Russia-Ukraine conflict on Vilmorin & Cie's Field Seeds activities in the region

Ukraine sales and research activities

- 93 employees
- **Kiev:** administrative site
- **Rohy:** research station
- **Main seeds distributed:** sunflower, corn, rapeseed

Russia sales and research activities

- 85 employees
- **Krasnodar:** administrative site and research station
- **Voronezh:** research station
- **Main seeds distributed:** sunflower, corn

THE CHOICE OF MAINTAINING BUSINESS ACTIVITIES IN RUSSIA

Despite Moscow's unilateral decision to start an armed conflict in Ukraine, Vilmorin & Cie chose to maintain all its business activities in Russia. Seeds are, by their very nature, excluded from the scope of international sanctions. The Company therefore considered that it was its responsibility, as a leading seed company, not to interrupt the flows to Russian producers, in order not to penalize world agricultural production and to prevent any worsening of tensions in terms of supply, particularly in Africa and the Middle East. On the other hand, Vilmorin & Cie has suspended its project to build a seed factory in Russia, which had been included in its multi-year investment plan.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT ON VILMORIN & CIE'S ACTIVITIES OF FISCAL YEAR 2021-2022

• Ukraine

Due to the ongoing conflict in its territory, Ukraine, which is the world's main sunflower production area and an important corn production area in Europe, has been directly affected by the reduction in agricultural acreage and the limited capacity, both material and financial, of farmers to operate. As expected, business at the end of fiscal year 2021-2022 remained very marginal in the country:

- in sunflower, sales were down sharply, due to the reduction in cultivated acreage and the disposal of stocks by distributors, in order to limit the risk of losses in the event of infrastructure destruction,
- in corn (of which a large proportion of the seed is produced locally), sales were also down sharply, as was the case for rapeseed for the 2022-2023 campaign, with distributors preferring to postpone their orders until the summer.

In vegetable seeds, spring sowing was also strongly disrupted by the conflict and activity was down considerably compared to the objectives for the fiscal year.

Overall, sales in the Ukraine-Russia zone were down by about 4% with current data and 7% on a like-for-like basis compared to fiscal year 2020-2021. They amounted to 134 million euros, including 123 million euros for Field Seeds and 11 million euros for Vegetable Seeds.

Finally, the Russia-Ukraine conflict greatly and structurally accentuated the rise in prices of agricultural commodities, which had begun in the context of the post-pandemic economic recovery. These market conditions led Vilmorin & Cie to initiate, during fiscal year 2021-2022, the first price increases for seeds sold, which has helped to limit, in part, the impact of the loss of business in Ukraine.

• Russia

The late campaign, the exceptionally good sowing conditions observed up until June, and the mobilization of local teams to deliver the last orders to distributors – despite the logistics difficulties encountered – enabled Vilmorin & Cie to record an increase in its sales in the country, both in terms of volume and value:

- in sunflower, the increase in sales was in line with the favorable evolution of cultivated acreage – but did not, however, compensate for the decline observed in Ukraine for this crop,
- in corn, on relatively stable acreage, sales showed a strong increase.

Moreover, even though some of the seeds for these two crops are produced locally, the majority remains imported and thus experienced difficulties of routing, increasingly long and expensive, both by land and sea.

The activity of the Vegetable Seeds division continued as normal over the fiscal year.

COMPETITIVE POSITION

In Europe, Vilmorin & Cie enjoys strong competitive positions in the main field crop seeds.

Competitive panorama in Europe

	Straw cereals ⁽¹⁾	Rapeseed	Corn ⁽²⁾	Sunflower ⁽²⁾
No. 1	KWS	Vilmorin & Cie	Corteva Agriscience	Syngenta
No. 2	Vilmorin & Cie	DSV	Bayer	Corteva Agriscience
No. 3	RAGT	KWS	KWS	Vilmorin & Cie
No. 4	Syngenta	Bayer	Vilmorin & Cie	Lidea

(1) Wheat and barley (Main countries in which Vilmorin & Cie is present).

(2) Greater Europe.

Source: internal estimates.

1.5.2.2. FIELD SEEDS IN NORTH AMERICA

CORN SEEDS

AgReliant⁽¹⁾, a 50/50 joint venture set up in July 2000 with the German seed group KWS, develops, produces and distributes corn and soybean seeds in the United States and Canada. These are the two main crops grown in North America.

The original aim in creating this company was to unite the research and marketing investments of the two companies and also to climb into the rankings of the top local seed companies. Research, production, distribution and administration are all today fully pooled.

AgReliant has managed to win significant market shares since it was first set up, and is now one of the top players on the corn market in the United States, which, although in decline, remains the world's largest market in value.

A KEY ADVANTAGE: A SPECIFIC APPROACH TO THE MARKET

High value-added seeds

AgReliant offers North American farmers seeds that meet their most specific needs in terms of yield and adaptation to their environmental constraints. These combine high-performance genetics and technological options, such as traits*: integrated into the plant's genome*; these resistance genes act as a barrier to certain insect pests (corn-borer and rootworm) as well as to herbicides. Genetically modified varieties most often combine several resistance genes, thanks to the stacking* technique, considered a reference standard by farmers.

Since 2015, through long-term licensing agreements entered into by Vilmorin & Cie, AgReliant has been commercially using GMO* corn traits* developed and marketed by Syngenta on North American markets, thus offering highly competitive corn seed varieties.

AgReliant's offer is accompanied by a personalized agronomic roadmap, adapted to the genetic characteristics of each seed variety.

A differentiating sales policy

AgReliant is present in all three distribution networks in North America, which makes it possible to market its seeds to all farmers, regardless of their location or the size of their farm:

- direct sales to the farmer (the most widespread system),
- farmer-dealer networks,
- and sales through distributors.

In the United States, in addition to a qualified sales force, AgReliant relies on two strong national brands

- AgriGold, for direct sales to, farmers,
- LG Seeds, dedicated to distributors and farmer-dealer networks.

The Pride Seeds brand caters for the Canadian market.

AgReliant provides very broad coverage of the Corn Belt, the heart of the North American market, as well as the Canadian market.

The objective of AgReliant's strategy is to promote innovation and optimize efficiency while fostering a strong relationship of proximity with customers, through the deployment of new tools to support their development. Accordingly, the company has developed the platform "Advantage Acre®", an innovative tool for precision farming that integrates and combines data about the three basic components of agriculture: seed, soil and climate. Through this digital platform, farmers can enter farm-specific data, plot by plot, and combine it with information concerning AgReliant hybrids*. The objective is to allow growers to optimize sowing conditions, to follow the state of their crops with precision and thus overall improve agricultural production.

Field Seeds in North America

Main brands



AgriGold



PRIDE SEEDS

(1) Bearing in mind the application of the standard IFRS 11, AgReliant has been recorded in the accounts using the equity method since fiscal year 2014-2015.

PRESENTATION OF VILMORIN & CIE

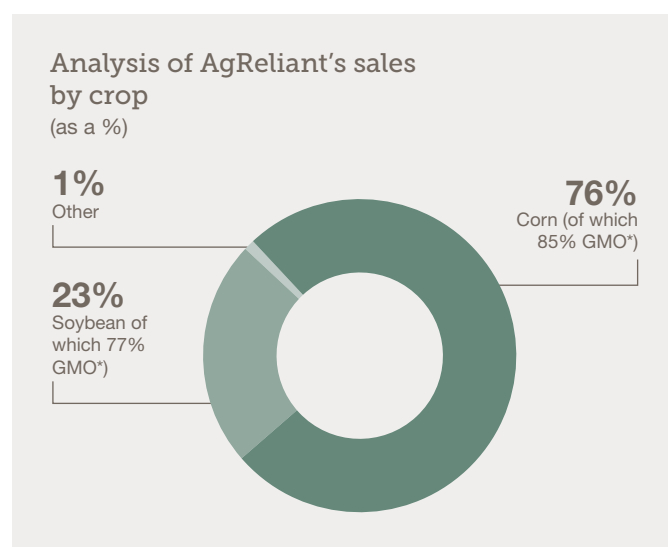
1.5. ACTIVITIES

PERFORMANCES AND HIGHLIGHTS IN 2021-2022

For fiscal year 2021-2022, AgReliant posted sales of 488.6 million euros⁽¹⁾, in increase comparing last year. This increase is the result of higher sales volumes of soybean seeds, well above the overall market trend. In addition to an increased supply of traits*, this trend can be explained by the trade-offs made by producers in the context of soaring fertilizer prices, a direct consequence of the Russia-Ukraine conflict – Russia is one of the world's leading suppliers of nitrogenous fertilizers such as ammonia and urea. North American farmers have therefore favored soybeans, a crop that requires less nitrogen fertilizer.

Corn seed sales remained stable in terms of volumes, in a market that was down by 4%⁽²⁾. As a distributor, with no proprietary genetics for this crop, AgReliant recorded lower margins, thus limiting its performance and its contribution to Vilmorin & Cie's results, especially in a general and historical inflationary context.

Finally, more specifically for corn seeds, AgReliant continued to increase the share of GMO* traits developed by Syngenta in its sales volumes, which are combined with its proprietary genetics, whose share is also increasing.



COMPETITIVE POSITION

AgReliant is among the top five operators in North America for corn market.

WHEAT SEEDS

The United States and Canada are among the main wheat production zones in the world, a strategic crop for Vilmorin & Cie. In these countries the Company operates through the entity Limagrain Cereal Seeds, based in Fort Collins (Colorado, United States), which was integrated into the Business Unit Limagrain Americas⁽³⁾ on July 1, 2022. A true platform for the development of North American activities, the set-up combines scientific collaboration with American universities, a diversified portfolio of genetic resources* adapted to the climatic conditions of the zone, and an extensive marketing network. The local team, made up of wheat experts who are strongly committed to developing this market, which remains underdeveloped, represents another key factor for future success.

PERFORMANCES AND HIGHLIGHTS 2021-2022

- After more than a decade of decline, wheat acreage in the United States, which started to rise again last year, remained stable (+0.6%)⁽⁴⁾ during fiscal year 2021-2022. Vilmorin & Cie was able to benefit from this positive market trend, with sales of 8.9 million euros delivered by its entity Limagrain Cereal Seeds on June 30, 2022, up by 17.5% on current data and by 11.0% on a like-for-like basis, compared with the previous fiscal year. Even though the level of activity remains modest on the scale of the group, the North American impetus for wheat should be emphasized, as it is based on a quality product offer, resulting from Vilmorin & Cie's research.

Within the Business Unit Limagrain Americas, the entity Limagrain Cereal Seeds will continue to concentrate its commercial and research activities on wheat, as well as on canola and pulses.

- In the United States, Limagrain Cereal Seeds has developed several wheat varieties that provide effective weed control. They also offer additional qualities adapted to the needs of producers and consumers, such as a high fiber content and,

(1) Data at 100%. Bearing in mind the application of the standard IFRS 11, AgReliant has been recorded in the accounts using the equity method since fiscal year 2014-2015.

(2) Source: USDA, data at the end of June 2022.

(3) Limagrain Cereal Seeds and Limagrain South America were merged on July 1, 2022 to form the Business Unit Limagrain Americas.

(4) Source: USDA 2022.

at the same time, a low calorie value. The development of these varieties, as well as others in the pipeline, has been achieved through the technological and commercial partnership signed at the beginning of 2016 with the Colorado Wheat Research Foundation and the company Albaugh⁽¹⁾, which aims to offer wheat varieties with a non-GMO* trait* for resistance to a generic herbicide. This worldwide agreement also includes an exclusive license granted to Vilmorin & Cie, with the commitment to deploy the use of the technology outside the United States.

- In Canada, Vilmorin & Cie is continuing its research program, through the joint venture Limagrain Cereals Research Canada⁽²⁾, specialized in the development and breeding* of cereals. This structure was created in 2015 with the Canadian company Canterra Seeds in a legislative context in Canada that will lead, in the years to come, to the application of royalties* on wheat, thus ensuring direct remuneration for research. Even if this development is slow in being materialized, it will eventually position Canada among the world's leading players for this crop. Indeed, Limagrain Cereals Research Canada intends to bring strong added value to agriculture in Western Canada, by developing new cereal varieties, particularly wheat, using the most advanced technologies. The first varieties were registered in Canada two years ago as part of a pilot project, which includes Accelerate, now the second most widely grown variety in its category.
- Finally, after the close of the fiscal year, in July 2022, Vilmorin & Cie announced, through its Field Seeds division, the signing of a new partnership with Saskatchewan Pulse Growers⁽³⁾ to set up a joint research and innovation program for pulses, more particularly dry peas and lentils. This new program, co-financed equally by the two parties, will be based in Saskatoon (Province of Saskatchewan, Canada), where the Limagrain Cereals Research Canada, joint venture is already established, and will respond directly to the needs of farmers and to major production challenges. Among the targeted goals are resistance to root diseases, increased protein content and, above all, improved yields under variable growing conditions. With the help of a dedicated team, the objective is to bring new expertise to the region in terms of breeding*, molecular genetics, treatment of pathologies and field trials. Canada is the world's largest producer of pulse crops, with more than 2.3 million hectares planted each year⁽⁴⁾.

Vilmorin & Cie, a major wheat player in Australia

In addition to its positions in Europe and North America, Vilmorin & Cie is also a major player in wheat in Australia, through its minority shareholding of almost 33% in Australian Grain Technologies, the Australian leader for the breeding*, development and distribution of cereals (Australian Grain Technologies is part of the Business Unit Limagrain Asia-Pacific).

During fiscal year 2021-2022, Australian Grain Technologies achieved total sales of 32 million euros⁽⁵⁾, up by 80% with like-for-like data, with a market share of over 55% recorded at the end of the 2021 harvest. Through the research partnership developed with Vilmorin & Cie, Australian Grain Technologies also intends to expand its portfolio of crops to become the leading Australian multi-crop seed company.

1.5.2.3. FIELD SEEDS IN SOUTH AMERICA

Following the example of its North American positions in corn, Vilmorin & Cie has succeeded in gaining significant market shares in South America, not only for this crop, but also for soybean, sunflower and wheat. Initiated at the end of 2018, its expansion in this region was built up through its Business Unit Limagrain South America⁽⁶⁾ and the acquisition of the companies Geneze in Brazil and Sursem in Argentina.

In Brazil, Vilmorin & Cie's sales are made through two commercial brands: the LG brand, dedicated to the sale of corn, soybean and wheat seeds, and the Geneze brand, reserved for corn seeds. In Argentina, the Company operates under the sole commercial brand LG.

Apart from these two countries, Vilmorin & Cie is working on the development of new markets, in Paraguay and Uruguay, in partnership with local distributors. It is also deploying its activities in Chile and Peru, countries mainly dedicated to research and seed production.

During fiscal year 2021-2022, building on its expertise and investments in genome* editing techniques, Vilmorin & Cie confirmed its intention to develop a breeding* program devoted to soybean in order to specifically meet the needs of this region, as well as Africa.

(1) Company specialized in generic products for plant production.

(2) A joint venture located in Saskatoon (Province of Saskatchewan, Canada) and held 70% by Vilmorin & Cie and 30% by Canterra Seeds. Furthermore Vilmorin & Cie holds 30% of the capital stock of the company Canterra Seeds.

(3) Saskatchewan Pulse Growers is a not-for-profit organization representing and supporting more than 15,000 pulse producers established in the province of Saskatchewan (Canada).

(4) Source: Saskatchewan Pulse Growers.

(5) Data at 100%.

(6) Limagrain Cereal Seeds and Limagrain South America were merged on July 1, 2022 to form the Business Unit Limagrain Americas.

PRESENTATION OF VILMORIN & CIE

1.5. ACTIVITIES

PERFORMANCES AND HIGHLIGHTS IN 2021-2022

On June 30, 2022, sales for the Business Unit Limagrain South America stood at 134.7 million euros, up 46.0% with current data and 35.5% on a like-for-like basis.

- In Brazil, Vilmorin & Cie achieved two excellent sales campaigns – *safrá* (summer crop) and *safrinha* (winter crop) – for both corn and soybean. Although constrained by the lack of available corn seeds (due, in particular, to weather incidents during the production phases and strong market demand), sales were significantly higher than in the previous fiscal year, both in volume and value, and enabled the Company to significantly increase its competitive positions in the country. Together with the European rapeseed campaign, this was the second success story for the Field Seeds division for fiscal year 2021-2022. The consolidation of investments made at the end of 2018, the development of high-performance proprietary genetics, as well as the gradual increase in sales of corn seeds incorporating Syngenta's GMO* traits, are all factors in the improvement of Vilmorin & Cie's profitability in Brazil. This trend should continue, thanks to the ability of all the players on the market to increase the value of seeds in the current inflationary context. These performances and prospects have reinforced Vilmorin & Cie's commercial ambitions, and the Company intends to support the development of its activities in Brazil through an upcoming capital stock increase. The Company already has two research stations in Londrina (State of Paraná) and Sorriso (State of Mato Grosso), and plans to open a third research station, dedicated to corn and soybean, in the Cerrado region.
- In Argentina, in a complex economic and financial context, progress in corn was limited by a less promising genetic offer. On the other hand, Vilmorin & Cie signed off a record sunflower campaign, with a doubling of sales volumes compared with the previous fiscal year. The prospects for the coming campaign are also looking promising. The Company is becoming a significant player in sunflower on the Argentinean market, the second largest market after Europe.

1.5.2.4. FIELD SEEDS IN DEVELOPMENT REGIONS

To go beyond its main positions in Europe and its expansion in the Americas, Vilmorin & Cie made the strategic choice, in 2010, to internationalize its Field Seeds activities on two other markets with high development potential: Asia and Africa.

In each of these regions, the Company has a structured organization for research, production and sales development, with the research and strategic marketing functions remaining global. Similarly, the networking of genetic resources* between the tropical and temperate zones of the world (in particular for corn) makes it possible to optimize the management of germplasm* and increase the efficiency of research.

ASIA

Vilmorin & Cie's Field Seeds activities in Asia are organized around three priority zones: India, South East Asia and China. Their development is managed by teams in the Business Unit Limagrain Asia-Pacific, based mainly in Bangkok (Thailand), as well as in Hyderabad (India) and Beijing (China).

- In India, Vilmorin & Cie's organization relies on Bisco Bio Sciences, today named Limagrain India, one of the top Indian players in corn seeds, held 100% since March 2013. Vilmorin & Cie also has a research center devoted to corn and rice, located in the north of the country, in addition to the center located in Yadaram (Telangana State). The Company has a hybrid rice seed program* that enables it to offer Indian farmers this essential crop for the market, in addition to corn.
- In Southeast Asia, Vilmorin & Cie structures its activities around the Thai company Seed Asia, acquired in March 2014 and today known as Limagrain Thailand, with a commercial presence that extends beyond Thailand.
- In China, Vilmorin & Cie's commercial footprint is ensured through the joint venture for the production and distribution of corn seeds Hengji Limagrain Seeds, in which Vilmorin & Cie holds 45% of the capital stock⁽¹⁾. For more than 20 years Vilmorin & Cie has been investing in local research programs: the Company has three research centers, based on the different types of corn (spring, summer and sub-tropical), as well as two counter-season sites. As a result of its efforts, the company now has a flow of quality varieties and markets new seed varieties every year.

PERFORMANCES AND HIGHLIGHTS IN 2021-2022

During fiscal year 2021-2022, Vilmorin & Cie's business in Asia was once again severely disrupted by the consequences of the Covid-19 health crisis, particularly in South-East Asia, and even more so in China, where the lockdown measures continued beyond the end of the fiscal year.

⁽¹⁾ In China, the participation of foreign companies in the capital stock of Chinese field seed companies is currently limited by law to minority positions.

Despite the numerous constraints encountered, the mobilization of local teams enabled the Company to achieve fine performances: Vilmorin & Cie's sales in the region thus reached 14.4 million euros, up 10.2% with current data and 9.6% on a like-for-like basis, stimulated mainly by export sales in Southeast Asia.

In India, even if the level of activity was lower than for the previous fiscal year, a very favorable evolution of the product mix was noted, with a proprietary range of seed varieties that is developing; the summer campaign is already well oriented.

In China, on a very dynamic market despite the health measures in place, sales of Hengji Limagrain Seeds were up sharply at the end of the fiscal year, thanks to the performance of the seed varieties on offer. This dynamic performance enabled the Company to gain new market shares, particularly in the north-east (temperate corn) and in the center and south of the country (sub-tropical corn). It is based on high-performance genetics perfectly adapted to different environments, which should continue to expand progressively over the next few years, in particular through GMO* technologies about to be authorized on the Chinese market.

AFRICA

In Africa, Vilmorin & Cie develops its Field Seeds activities through the Business Unit Limagrain Africa.

Vilmorin & Cie began its activity on the African corn market in January 2013, with the acquisition of Link Seed (South Africa). In order to pursue its strategic implantation on the continent, in 2013-2014, Vilmorin & Cie purchased a minority stake in the capital stock of the African company Seed Co. Listed on the Stock Exchanges of Harare (Zimbabwe) since 1996, and Gaborone (Botswana) since 2018, Seed Co is the largest seed company in Africa, with strong presence on the white corn market for human consumption. The company enjoys leading positions in several southern African countries (Zimbabwe, Zambia, Malawi, Tanzania, Kenya etc.) and aims to develop in other regions of the continent.

Since 2013-2014, Vilmorin & Cie and Seed Co have significantly reinforced and intensified their partnership. The collaboration is developing in particular at research level, drawing on highly complementary know-how, skills, genetic resources* and technologies. Vilmorin & Cie is also continuing to support Seed Co in its development projects, and is thus continuing its gradual establishment on the African market. In this respect, the two companies have created two joint ventures on the white and yellow corn segments:

- In 2019-2020, the Seed Co West and Central Africa joint venture, located in Ghana and held equally by Vilmorin & Cie and Seed Co International, to specifically address the West and Central African markets.

- In 2020-2021, the Limagrain Zaad South Africa joint venture, which brings together all the field seeds activities in South Africa of Vilmorin & Cie (formerly Link Seed), Seed Co and a third partner, Klein Karoo Seed Marketing⁽¹⁾. Controlled by Vilmorin & Cie, this joint venture covers South Africa, the largest African market in terms of value, as well as Lesotho, Eswatini and Namibia, and has a critical size on a seed market that is already highly consolidated. It is based on a high level of synergy between the three partners in different functions: research, production, sales organization and marketing. In addition to corn, Limagrain Zaad South Africa proposes a multi-crop approach (soybean, canola, sunflower, wheat, sorghum, forage), which enables it to stand out from the competition. It also benefits from genetic resources* from the Americas and Europe.

Through its strategic alliance with Seed Co, Vilmorin & Cie has a solid base in all the key zones of the continent. It is thus demonstrating its determination to expand progressively in Africa, with the aim of offering solutions that are adapted to the specificities of the different countries and to the great diversity of existing agricultural models.

PERFORMANCES AND HIGHLIGHTS IN 2021-2022

- As of March 31, 2022, Seed Co reported sales of 102,9 million euros. However, its activity was penalized by weather incidents and significant exchange rate impacts, as well as by the modification of certain government programs. In Zimbabwe, its base, Seed Co managed to offset lower sales volumes with price increases in a hyperinflationary context. Fiscal year 2021-2022 also saw the commissioning of a new dryer, which will accelerate the availability of seed in the country.
- For the second consecutive year, the activity of the Seed Co West and Central Africa joint venture progressed substantially, thanks to a very good campaign in a market that is still in its infancy in terms of value.
- The Limagrain Zaad South Africa joint venture is now fully operational. On the eve of its third fiscal year, it had a good fall campaign, with slightly higher sales, which did not however make up for the delay that had accumulated at the beginning of the fiscal year due to inventory shortages and logistics difficulties, both for corn seeds (late harvest) and soybean seeds (bad weather during the production period). The relevance of the joint venture has nevertheless been demonstrated: with increased market shares, Limagrain Zaad South Africa has confirmed its position as the 3rd largest player on the South African market.

(1) Klein Karoo Seed Marketing is a South African seed company which has been firmly established in the country since its creation in 2002; it is a subsidiary of the South African group Zaad, which in turn belongs to the Zeder Investment group, which specializes in the agricultural sector and is listed on the Johannesburg stock exchange.

(2) Data at 100%.

1.5.3. GARDEN PRODUCTS

Garden Product
sales in 2021-2022⁽¹⁾

52.2

million euros

(-12.8% on a like-for-like basis)

Vilmorin & Cie offers home gardeners a full range of seeds (vegetables, flowers and amenity grasses) and associated products (flower bulbs, potting soil and garden equipment).

The Garden Products division is organized around the Vilmorin Jardin Business Unit, which is based in France and Poland.

The Garden Products division's customers comprise all the dedicated distribution networks: garden centers, agricultural self-service stores, home improvement stores and supermarkets. Vilmorin & Cie's product line-up is also sold online through different websites, pure play specialists from the world of gardening and general online sales. Finally, a "click 2 buy" tool is available to Internet users, enabling them to select the products they wish to buy on the Vilmorin Jardin website and to be directed to the sales outlets that distribute them.

1.5.3.1. KEY ADVANTAGES: SOLID EXPERTISE AND A STRONG BRAND, VILMORIN

Home garden customers and consumers in general are looking for effective, simple and practical solutions to ensure the success of their vegetable and flower gardens. Beyond experiences of fun and pleasure, they are also looking for healthier and locally produced food.

The Business Unit Vilmorin Jardin is thus committed to a living, nourishing garden, a place for sharing, transmission, well-being and pleasure. Its ambition is to accompany each garden project with innovative products and solutions that respect the environment and biodiversity.

With the aim of making gardening accessible to as many people as possible, Vilmorin Jardin designs educational tools around its different seed categories. The offer to novice gardeners ranges from the most traditional media – with the vegetable garden edition of the Vilmorin Clause Guide, which was completely revised during fiscal year 2021-2022 – to the most modern and connected, with the Vilmorin mobile application or social media (notably YouTube and Instagram).

Drawing on the expertise of its emblematic brand Vilmorin, the Garden Products division proposes a diversified commercial offer, particularly in the field of organic products. With a catalog of over 800 references, organic seeds represent almost 10% of the offer, mainly for vegetables and aromatic plants.

Thanks to an active approach to permanent innovation, every year Vilmorin brings to market new products and solutions that respect the environment: organic seeds, flower mixtures that promote biodiversity, melliferous or useful plants for the garden (that naturally enrich the soil and protect it on the surface against drying out or erosion), vegetable varieties that are resistant to disease and reduce the need for fertilizers, potting soils that can be used in organic farming, 100% natural mulching solutions, or even biodegradable garden accessories and equipment produced in Europe.

Moreover, the Garden Products division relies on the technical expertise of the Vegetable Seeds division to succeed in its strategy of innovation.

Garden Products

Main brands



(1) Including the holdings.

1.5.3.2. PERFORMANCES AND HIGHLIGHTS IN 2021-2022

Sales for the Garden Products and Holdings activities⁽¹⁾ came to 52.2 million euros on June 30, 2022, a significant decrease of 13.0% with current data and 12.8% on a like-for-like basis.

After the unprecedented performance recorded in fiscal year 2020-2021, linked to the renewed interest in home gardening in the context of Covid-19, the business returned to pre-pandemic levels.

- In France, the market for seeds dedicated to non-professional clients overall declined in fiscal year 2021-2022. There are several reasons for this: unfavorable weather in the spring, with snowfalls until the beginning of April, a tense political and economic context, as well as a revival of the tourism sector, which once again accounted for a large proportion of “leisure” spending by consumers. The decline in Vilmorin Jardin’s business was partly a result of this trend, but the Business Unit managed to preserve its sales margin rate thanks to work carried out to streamline its product line-ups and its industrial performance, the fruit of its internal transformation project initiated in 2019.

This project, which sets customer orientation and operational excellence as a priority, aims to continuously improve customer satisfaction by offering products and services that are perfectly adapted to new consumption patterns, in a responsible and innovative approach. This ambition also includes the implementation of measures to improve processes (forecasting, purchasing, stock rotation, logistics) to optimize the supply chain.

Through the measures it has taken over the last two years, Vilmorin Jardin has been able to increase the service rate (On Time Delivery) measured in its workshops in Portes-lès-Valence (France), and to reduce the frequency rate of accidents with and without lost time⁽²⁾, in line with Vilmorin & Cie’s goal in this area⁽³⁾.

- In terms of products, and despite a decline in sales, the Business Unit performed well for seeds, bulbs, potting soils, and garden accessories and equipment. Even if the volume of activity that they represent remains modest, export sales are also outstanding, notably to Belgium and Spain. On the other hand, in a buoyant market, sales of lawn seeds suffered from high inventory levels in large home improvement stores, which had been closed during lockdown. Moreover, the Business Unit is continuing its dynamic development in the field of organic seeds, the only French market for non-professional seeds that is still growing. Vilmorin is thus the leading brand contributing to the development of this market and is now the leader in organic seeds in France.
- In Poland, sales fell sharply, in a country with a high inflation rate and a difficult geopolitical environment. Vilmorin Jardin’s business also suffered from the disruption caused by the transfer of infrastructures to a new site, at the very beginning of fiscal year 2021-2022. From now on, the 66 Polish employees and temporary workers in the Garden Products division will benefit from improved working conditions, in a building that meets local fire safety standards.

“With a high benchmark, due to the growth in home gardening during the pandemic, the Garden Products division’s business has returned to pre-Covid levels, in line with the overall market trend.”

Guillaume BAGLIN,
CEO for the Garden Products division

1.5.3.3. COMPETITIVE POSITION

Vilmorin & Cie is the leading player on the French market for seeds intended for home gardeners.

(1) Including Holdings.

(2) Also named FR2, represents the frequency rate of accidents per million hours worked.

(3) Vilmorin & Cie’s strategy regarding security is presented in detail on page 142, in paragraph 5.3.2.1.

1.6. BUSINESS MODEL

MAIN CHALLENGES FOR THE SEED SECTOR

RESOURCES AND ASSETS

Human capital and governance

- A long-term reference Shareholder and a diversified floating shareholder base
- 7,254 permanent employees of 78 nationalities
- 47% of headcount based outside Europe
- Board Members strongly involved in governance and guaranteeing close proximity to the agricultural world

Economic and financial capital

- 1.5 billion euros shareholders' equity on June 30, 2022
- Net financial indebtedness of 901.1 million euros on June 30, 2022

Intellectual capital

- 16.2% of sales invested in research⁽¹⁾
- 28% of headcount active in research
- More than 100 research centers in the world
- Almost 280 years experience in plant improvement
- A portfolio of strong brands

Natural and environmental capital

- 273 GWh of energy consumed
- 2.8 million m³ of water consumed
- Active contribution to the creation and preservation of the genetic diversity of cultivated species

Societal capital

- Sites in 49 countries
- Numerous scientific, industrial and commercial partnerships
- Regular dialogue and strong involvement with stakeholders in the different regions with sites



No. 4
seed company
in the world

A SPECIFIC DEVELOPMENT MODEL

- A single core business of seeds
- Organization very close to its markets
- A long-term vision of its development
- Three founding values: progress, perseverance and cooperation

AN AMBITIOUS STRATEGY OF WINNING MARKET SHARES

Data for 2021-2022.

(1) Data calculated from the sale of seeds for activities intended for professional markets and integrating 50% of AgReliant's business (North America. Field Seeds).

- Increase in the world population and in food needs
- Growing urbanization and a trend towards a reduction of arable land
- Climate change and the preservation of natural resources
- Access to plant biodiversity
- Digital transformation

No. 1
worldwide
for vegetable
seeds

No. 7
worldwide
for field seeds

- Strong permanent investment in research & development
- Strong presence on international markets
- Capacity to combine targeted acquisitions and partnerships

A CSR PROGRAM ANCHORED IN THE COMPANY'S DNA

- Contribute to the lasting progress of agriculture through seed
- Act responsibly
- Encourage cooperation

IMPACTS AND VALUE CREATION

Human capital and governance

- Strategic choices guided by customer needs and consistency in orientations
- 337.5 million euros paid out in compensation to employees and almost 14 million euros devoted to profit-sharing schemes
- 147,352 training hours with a training budget of 2.7 million euros
- An accident frequency rate with and without work stoppages of 6.53 accidents per million hours worked

Economic and financial capital

- Sales of 1,587.2 million euros
- Total net income of 95.4 million euros
- 39.8% profit distribution rate (a dividend of 1.60 euros per share)
- Nearly one billion euros of market capitalization on June 30, 2022

Intellectual capital

- A portfolio of around 6,000 varieties, including both globally consumed crops and local crops
- 442 new varieties launched

Natural and environmental capital

- 4.9 million euros invested in the improvement of environmental impacts
- 60,209 tCO₂ emitted
- 3.7 million euros invested in more than 80 initiatives to reduce energy consumption
- 34,352 tonnes of waste generated and 73.2% of non-aqueous waste recovered

Societal capital

- Contribution to the increase in food production through the genetic progress made from new varieties
- 173 societal and philanthropic initiatives
- A responsible purchasing policy
- Influence exerted in societal debates related to seed issues

1.7. DEVELOPMENT MODEL

A specific model

In a business sector that is characterized by the strong concentration of its players, and driven by research and internationalization, Vilmorin & Cie focuses its development on a specific economic model, with the following three major, singular advantages:

**A single
core business
of seed**

**Very close
proximity
to markets**

**A long-term
vision of its
development**

Through the solidity of this model, the resilience of which was confirmed in the context of the Covid-19 health crisis and the Russia-Ukraine conflict, Vilmorin & Cie is in a strong position to deploy an ambitious strategy, in order to sustainably ramp up its positions as a leading seed company.

Vilmorin & Cie's development model draws its inspiration from the respect of three founding values: progress, perseverance and cooperation.

Shared with its parent company and reference shareholder, Limagrain, these values are linked to the historic expertise of Vilmorin & Cie in plant improvement since 1743, and its anchorage in the world of agriculture.

- **Progress** has always been at the heart of the convictions and mission of Vilmorin & Cie. Its objective is to move agriculture forward to meet its numerous challenges, whether food, social, environmental or climatic. For Vilmorin & Cie, which has always had a culture that is both agricultural and scientific, the vision of progress is that of responsible progress. This culture of progress is materialized by strong, permanent investment in research.
- **Perseverance** is part and parcel of the professions of farmer and seed producer, which both need to work in the long-term. At Vilmorin & Cie, this perseverance is also expressed through the consistency of its strategic orientations.
- Finally, the spirit of **cooperation**, which is also one of the founding principles of the cooperative group Limagrain, is expressed through the numerous cooperation agreements and partnerships instigated by Vilmorin & Cie throughout the world, whether scientific, industrial or commercial.

1.7.1. A SINGLE CORE BUSINESS: SEEDS

Vilmorin & Cie is heir to several centuries of know-how of great botanists and agronomists, and is a pure player in seeds, not involved in agrochemicals, unlike many players who offer all-in solutions. Vilmorin & Cie is thus the world's leading non-agrochemical seed company.

As a multi-crop seed company, Vilmorin & Cie focuses its expertise on the creation of new varieties of seeds with high added value, which form the first link in the food chain.

They enable farmers and growers to produce more and better, thus contributing to meeting global food challenges.

Focused on its know-how in seed and plant breeding* as an original alternative to the all-in offers of agrochemical companies, Vilmorin & Cie can preserve the independence and freedom of choice of farmers regarding their other production factors.

Active throughout the value chain, from research to distribution, Vilmorin & Cie controls all the stages in its seed business, proposing high quality seeds, perfectly adapted to each of its target markets.

The process of developing a seed involves the following stages:



1 ANALYZING NEEDS

The phase of analyzing and anticipating the needs of direct customers – farmers and growers – and indirect targets – distributors and consumers – is a fundamental stage in the creation of seeds. This stage is all the more complex that it has to account for geographical specificities and expectations that can vary considerably for the same crop.

- Vilmorin & Cie relies on operational organization that is close to its markets in order to assess the requirements of its customers and ensure relevant information is passed on to its marketing and research teams.



2 MANAGING AND ENRICHING GENETIC RESOURCES*

The development of new seed varieties is only possible if beforehand there is a collection of plants, called genetic resources* or heritage, as wide and varied as possible. They have to be collected, enriched, and characterized, and then maintained regularly so as to preserve their quality, and ensure they are available for the research teams. Indeed, breeders* use this plant base to draw their “raw material”, which is indispensable for the creation of a new seed variety.

- Vilmorin & Cie has a very large and diversified collection of varieties produced from its genetic heritage*. Built up over the past 280 years of its history, it has been enriched through the acquisitions of seed companies, breeding* programs and research partnerships. Vilmorin & Cie, which is responsible for the conservation of its own varieties, also contributes to the multiplication and characterization of genetic resources* throughout the world, either by mobilizing its experts and research infrastructures, or by financing specialized institutes, known as “gene banks”.

3 CREATING NEW SEED VARIETIES



After these phases of needs analysis and access to genetic resources*, breeding* can begin, which is the art of crossing two varieties of the same plant species, with distinct properties, in order to create a new plant whose agronomic profile will be superior to that of its parents.

This breeding* work - or variety improvement - is the key to creating value and the competitiveness of the seed company. It can be facilitated by using plant biotechnology*. These tools such as molecular marking*, genotyping, transgenesis*, etc., can be used by the seed company to develop new plants faster and more efficiently thanks to more extensive knowledge of their genome*.

- Vilmorin & Cie develops varieties that are adapted to different regions and climates, with a better yield, specific resistances (to diseases, insects, etc.) and improved qualities. (for example, taste). In a context where research is becoming more and more industrialized, Vilmorin & Cie can benefit from an international network of internal and external skills, including more than 2,000 staff contributing to the research process spread out over more than 100 research centers all over the world, and from numerous partnerships. This organization is explained in more detail on page 58, paragraph 1.8.1.1.

The regulations that apply to the marketing of seeds

In compliance with regulations in force in targeted countries, before distributing the created variety, it has to be certified (for GMOs*) and registered (for all varieties: both GMOs* and conventional) in countries that have a catalogue. In particular, this makes it possible to demonstrate the absence of risks to human and animal health and the environment (for GMOs*) as well as the characteristics of the said variety (in particular distinctness, uniformity and stability). In Europe, for example, any new variety can only be marketed if it is listed in the official European catalogue.

Further information on the regulations applied to the marketing of seeds is available at the following addresses:

- concerning France: <https://www.geves.fr/informations-toutes-especes/queles-sont-les-reglementations/reglementations/>
- concerning Europe: https://food.ec.europa.eu/plants/genetically-modified-organisms/gmo-legislation_en (for the certification of GMOs*) and https://food.ec.europa.eu/plants/plant-reproductive-material/plant-variety-catalogues-databases-information-systems_en (for the registration of all varieties).



4 PRODUCING SEEDS IN THE FIELDS

Once it has been created and registered, the new seed variety is produced in the field. Seed production must provide flexibility and optimal adaptability to market conditions, with high quality at a competitive price. The careful choice of production zones is therefore a vital factor in determining seed quality and the capacity to satisfy demand.

- Vilmorin & Cie entrusts its seed production to an international network of carefully selected seed multiplication farmers* who work to very strict specifications. Vilmorin & Cie also has its own production farms, particularly for the production of high value-added seeds.

5 PROCESSING SEEDS (CLEANING, CALIBRATION, PROCESSING, PACKAGING)

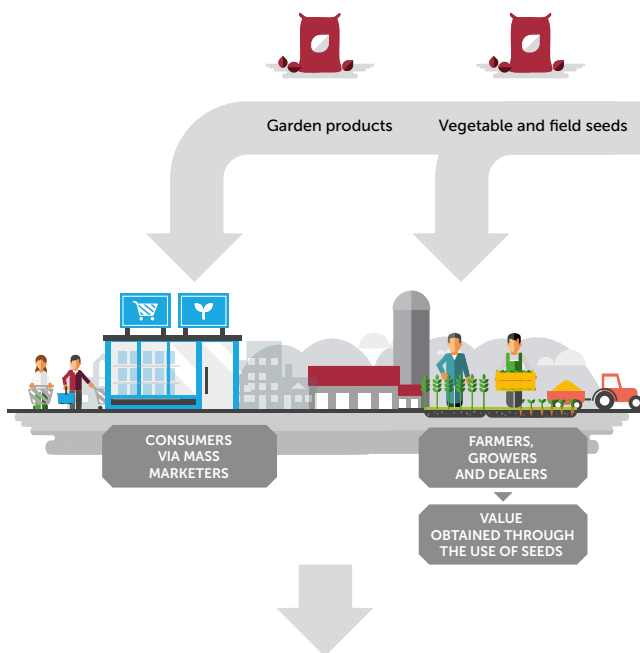
Seed production then involves an industrial valorization phase. During this stage, the seed is first prepared – i.e. sorted, cleaned, dried and calibrated - then treated or pelleted to facilitate sowing. This stage also integrates packaging and storage.

- Vilmorin & Cie makes full use of the strong expertise of its teams, modern industrial equipment, and standardized controls to guarantee the high quality of the seeds. Indeed, throughout this industrial process, quality controls are carried out to guarantee the conformity of the seeds (germination, sanitary state, specific and varietal purity).

6 DISTRIBUTING SEEDS

Finally, after a product development phase that makes it possible to initiate the marketing of the seeds to growers and farmers, the seeds are distributed as widely as possible on the markets.

- In order to remain in close contact with its customers, almost all Vilmorin & Cie's subsidiaries sell seeds through distributors, cooperatives and sometimes directly to end users. These networks are selected according to the specific nature of each geographical region. Sales teams represent about 27% of the total headcount in the Company. Vilmorin & Cie relies on a portfolio of very well-known brands, each with specific positioning.



In 2021-2022, Vilmorin & Cie
launched 442 new varieties
on the market



IT TAKES
7 to 10 YEARS
ON AVERAGE TO CREATE A SEED

1.7.2. VERY CLOSE PROXIMITY TO MARKETS

1.7.2.1. THANKS TO ITS ORGANIZATION MODEL

Vilmorin & Cie has chosen to organize each of its activities around Business Units, in order to focus on proximity to its multiple markets.

This organization model, specific to Vilmorin & Cie, is a great strength. It guarantees very close proximity to its customers, excellent knowledge of its markets, which are highly segmented both in terms of products and regions, along with a real capacity to anticipate and to react.

The nine Business Units of Vilmorin & Cie each have a well-adapted development strategy, defined in accordance with crops and regions; they each have their own dedicated organization.

Cross-cutting functions, such as the scientific strategy, the external growth policy and finance are all centralized.

The organization diagram is presented on page 35.

1.7.2.2. THANKS TO ITS PARENT COMPANY AND REFERENCE SHAREHOLDER: LIMAGRAIN

Through its parent company and reference Shareholder Limagrain, Vilmorin & Cie benefits from close proximity with the world of agriculture. Indeed, Limagrain's parent company is an agricultural cooperative.

This knowledge of agriculture represents a solid and original performance lever for Vilmorin & Cie in the seed sector.

1.7.3. A LONG-TERM VISION OF ITS DEVELOPMENT

Vilmorin & Cie is driven by a long-term vision of its development, corresponding to that of its parent company and reference shareholder Limagrain.

The long-term is a key component in the professions of farmer and seed producer, where long periods are involved. This is also an important cultural feature of Limagrain, with its source partly in the farmer members of the cooperative, above all concerned to ensure the vitality and lasting success of their farms.

Characterized by transparency in the information it provides and by its sharing of decisions, the governance of Vilmorin & Cie, like that of its reference shareholder Limagrain, allows strategic choices to be made for the long-term. This constancy in strategic orientations has resulted in a solid history of growth and also enabled Limagrain to encourage the development of Vilmorin & Cie, accompanying its investments regularly and significantly.

On the strength of this proximity to its markets all over the world, Vilmorin & Cie is committed to serving all forms of agriculture in their diversity and with respect for the agricultural and cultural reality of each region.

Created and managed by French farmers, Limagrain is an agricultural cooperative and an international seed group.

As a creator and producer of plant and cereal varieties, Limagrain develops vegetable seeds and field seeds – through Vilmorin & Cie – as well as agri-food products (ingredients and bakery products) – in particular through the Jacquet and Brossard brands.

To find out +

www.limagrain.com -   #Limagrain

1.8. STRATEGY AND OBJECTIVES

A strategy of winning market shares

Through its high value-added seeds, Vilmorin & Cie's aim is to contribute to meeting the world's food challenges. Three strategic foundations underpin the Company's development, in order to accelerate its expansion and strengthen its leading global positions sustainably on promising and resilient markets.

1.8.1. VILMORIN & CIE'S 3 STRATEGIC FOUNDATIONS

Strong, continuous investment in research & development

Better adaptation to climates and regions, suitability to needs and crops, resistance to disease, yield optimization, etc.: there are many areas of research & development that are helping to create more efficient seed varieties, in order to offer all farmers, on all continents, the ability to produce more and better.

16.2%
of sales invested in
research & development⁽¹⁾

More than
100
research centers
in the world

442
new varieties created
and taken to market

28%
of headcount
active in research

Strong presence on international markets

Since its listing on the Paris stock market, Vilmorin & Cie's development has been built up through successive integrations and acquisitions of businesses and companies, on all continents. Today Vilmorin & Cie is present in all the world's regions, with a product portfolio made up of global and local crops.

43%
of sales
made outside Europe

47%
of employees
outside Europe

78
nationalities represented
among employees

Subsidiaries in
49 countries
and sales in almost
150 countries

The capacity to combine targeted acquisitions and partnerships

Vilmorin & Cie has adopted a policy of targeted acquisitions and establishes numerous cooperation agreements throughout the world, whether scientific, industrial or commercial.

Through these operations major challenges can be met:

- gain access to new genetic resources*
- penetrate and cover zones with high potential
- provide a better risk spread

Data for 2021-2022.

(1) Data calculated on the basis of the sales of seeds for activities intended for professional markets and integrating 50% of the activities of AgReliant (North America. Field Seeds).

PRESENTATION OF VILMORIN & CIE

1.8. STRATEGY AND OBJECTIVES

1.8.1.1. STRONG, CONTINUOUS INVESTMENT IN RESEARCH & DEVELOPMENT

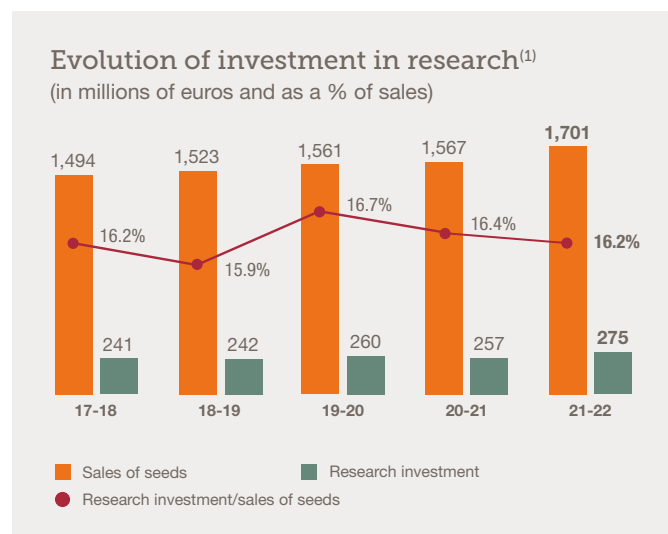
RESEARCH & DEVELOPMENT, THE KEY TO PERFORMANCE

As the basis of its development model, research & development is the primary source of value creation for Vilmorin & Cie.

It aims to develop new varieties that are adapted to agricultural, environmental, climatic and societal challenges and that meet the expectations of each of the players in the sector:

- improve the plant's agronomic qualities (adaptation to different climates and regions, resistance to diseases and to insects, yield, drought tolerance, etc.) for farmers and growers,
- integrate the technical and logistical constraints of industrialists and distributors (standardization of calibration, appearance and texture of food products, preservation, earliness, price, etc.),
- improve the taste, convenience, appetite and nutritional qualities of the products depending on the cultural specificities of consumers, while accompanying evolutions in consumption practices.

Each plant breeding* cycle lasts between 7 and 10 years and therefore requires constant anticipation of the future requirements of the Company's customers and the emergence of new societal trends. Research & development generate decisive commercial advantages; it is the key to tomorrow's performance and growth.



Key indicators in research & development in 2021-2022

- **16.2%** of seed sales invested in research & development⁽²⁾ – including about 90% devoted to conventional research and 10% devoted to plant biotechnologies
- **275 million euros of investment in research** in absolute value, balanced in its spread between Vegetable Seeds and Field Seeds
- **442 new varieties** created and taken to market
- Proportion of sales from proprietary* **Vegetable Seeds varieties: 95%**
- Proportion of sales from proprietary* **Field Seeds varieties: more than 60%**

THE ORGANIZATION OF RESEARCH & DEVELOPMENT

Vilmorin & Cie's research & development combines cross-company resources and sites that are as close as possible to its target markets:

- Each Business Unit runs its own plant breeding* programs, ensuring that the expectations of its customers and the specificities of its markets are taken into account in the product innovation process.
- At the level of each division, a Research Department coordinates research & development activities. It ensures that technological resources are pooled, and genetic databases are circulated between the Business Units, and guarantees, by testing them, a more rapid integration of the new protocols and technologies available. Finally, it is responsible for managing major partnerships. It should be noted that within the Field Seeds division, Research Departments have also been set up for each of the strategic crops and for each of the main areas of biotechnology*.
- In addition, the Group's Scientific Affairs, Innovation and CSR Department leads the entire research & development process. It focuses on strategic projects (such as developments related to digital agriculture), prospective science, technology and regulations, and the pooling of support in expertise.

In total, more than 2,000 people - i.e. 28% of the headcount in 2021-2022 -, spread over more than 100 research centers in the world, contributed to Vilmorin & Cie's Research & Development process. They focused on upstream research and conventional breeding*, both for vegetable seeds and field seeds.

(1) Research investment corresponds to gross research expenditure before any recording of research costs as fixed assets and tax relief for research.

(2) Data calculated on the basis of the sales of seeds for activities intended for professional markets and integrating 50% of the activities of AgReliant (North America. Field Seeds).

VILMORIN & CIE'S RESEARCH & DEVELOPMENT FOCUSES

Permanently enriching genetic resources*

Access to plant diversity and genetic resources* is fundamental for creating new seed varieties and thus guaranteeing the sustainability of the seed business.

Vilmorin & Cie has a very large and diversified collection of varieties, developed over its 280 years of history. Progress in plant breeding* is dependent on the capacity to enrich and network this heritage. It is ensured by taking full advantage of breeders* know-how, the opening or modernization of research centers, as well as external growth operations and partnerships.

Preserving the genetic biodiversity of cultivated species requires maintaining an inventory of seeds of multiple varieties without their germinative capacity being impaired over time. Vilmorin & Cie contributes to this essential objective through its participation in national and international programs for the preservation and exchange of genetic material, and through its own conservation work. At the same time, through its Research & Development programs, the Company creates new varieties of seeds that enrich the genetic diversity of plants (issues related to plant biodiversity are presented in detail on page 136, paragraph 5.2.3.).

Accelerating the breeding process by using plant biotechnology*

Breeders* today still use the same methods that have been improved over time to domesticate wild plants, which are the basis of today's food. They observe plants, select those that best match the desired qualities, and cross them. Field experimentation means new varieties can be assessed under real conditions.

However, today, new breeding* methods and techniques (plant biotechnology*) allow breeders* to develop new plants more quickly and efficiently, by accurately describing plants and predicting some of their characteristics. They thus save valuable time by identifying plants of interest more effectively and earlier depending on their breeding* objectives. Thanks to their use, over a varietal creation cycle that requires 7 to 10 years, 2 to 3 years of development are on average saved, guaranteeing a quicker response of research to changes in demand.

For Vilmorin & Cie, which has made the acceleration of its plant breeding* cycle a major focus in its research strategy, mastering plant biotechnology* therefore plays a major role. Representing more than 10% of the research budget, the investment allocated to biotechnology* will increase in the coming years, while taking account of the need to preserve the company's financial profile.

Plant biotechnology* today includes a wide range of tools (molecular marking*, cell biology, etc.) which, since the end of the 1990s, have enriched new techniques for plant improvement, known as "New Breeding Techniques" (NBT). Among them, genome* editing techniques are particularly promising; they make it possible to target and intervene precisely on the plant's genome* to obtain the desired trait*: resistance to a disease, adaptation to new climatic conditions, improved taste quality, etc. These techniques are presented in detail on page 25, paragraph 1.3.1.4.

In recent years, Vilmorin & Cie has entered into two agreements enabling it to broaden its range of technologies, by gaining access to the CRISPR genome editing technique*, which was awarded the Nobel Prize for Chemistry in 2020, for use in all its breeding work*, as well as potential commercial applications, both for Vegetable Seeds and Field Seeds:

- A first agreement was signed in 2018-2019 with the Broad Institute of MIT (Massachusetts Institute of Technology) and Harvard biomedical and genomics* research center located in Cambridge in the United States. This agreement grants Vilmorin & Cie access to the techniques known as CRISPR-Cpf1.
- A second agreement was signed during the course of fiscal year 2019-2020 with the company Corteva Agriscience (United States) and the Broad Institute of MIT and Harvard. This non-exclusive licensing contract grants Vilmorin & Cie access to patents concerning the genome* editing techniques known as CRISPR-Cas9 for agricultural use. This reference technology CRISPR-Cas9, complementary to the so-called CRISPR-Cpf1, is today the most widespread genome* editing tool.

Vilmorin & Cie will use these techniques in strict compliance with the laws and regulations applicable in various countries. This information is presented in detail on page 25, paragraph 1.3.1.4.

Developing strategic partnerships to enrich upstream research

Strategic partnerships complement Vilmorin & Cie's research & development organization. These partnerships are constantly being strengthened and enable Vilmorin & Cie to gain access to new skills and technologies, extending existing genetic bases and enriching upstream research:

- Genective (France) - a 50/50 joint venture with the German seed company KWS: through this upstream research collaboration, Vilmorin & Cie and KWS are developing GMO* traits intended for corn seeds, with the aim of eventually having a proprietary line-up of genetically modified corn seed varieties.
- Keygene (Netherlands) - experts in genomics* applied mainly to vegetable plants, and in which Vilmorin & Cie has held a stake of 25% since 2001, in partnership with the Dutch seed companies Enza Zaden and Rijk Zwaan, and the Japanese seed company Takii.

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- Innolea (France) – a company which, since the beginning of 2019, combines the plant genetics and genomics* research activities previously conducted by Biogemma on oilseed crops (rapeseed and sunflower). Innolea is equally owned by Vilmorin & Cie, Euralis Semences, RAGT Semences and the vegetable oil and protein innovation fund led by Sofiprotéol (Avril group).
- Soltis (France) – 50/50 joint venture between Vilmorin & Cie and Lidea, specialized in sunflower research.
- Australian Grain Technologies (Australia) – Australian leader for breeding*, developing and distributing cereals. Vilmorin & Cie holds a stake of almost 33% in the company's capital stock, and can therefore benefit from broad access to Australian public genetic resources*, technologies and research, and be present on the major straw cereal markets.
- Limagrain Cereals Research Canada (Canada), a joint venture set up in 2015, specialized in the development and breeding* of cereals, in particular wheat, and held 70% by Vilmorin & Cie and 30% by the Canadian company Canterra Seeds.

Vilmorin & Cie's researchers also work in association with public and private research institutes throughout the world: INRAE and CIRAD (France), the University of Davis (United States), the University of Jerusalem (Israel), CSIRO (Australia), the University of Chiba (Japan), and the University of Wageningen (Netherlands) to identify interesting start-ups.

In addition, since 2018-2019, Vilmorin & Cie committed joining the professional private equity fund PSL Innovation Fund, resulting from a partnership between the management company Elaia and the University of Paris Sciences et Lettres, France's leading research and higher education cluster. PSL Innovation Fund targets innovative start-ups with a strong digital and technological component, active in particular in the biotechnology*, agriculture, life sciences and artificial intelligence sectors. This 10-year commitment gives Vilmorin & Cie – the fund's reference partner in the field of agriculture – privileged access to the main players in these key areas and strengthens its links with world-class innovation ecosystems.

THE RESULTS OF RESEARCH & DEVELOPMENT

Through its research organization, every year Vilmorin & Cie is able to create several hundred new varieties, and thus achieve a significant share of its sales from products that come out of its own research programs: in 2020-2021, 95% of Vegetable Seed sales and more than 60% of Field Seeds sales originated in seed varieties created by Vilmorin & Cie.

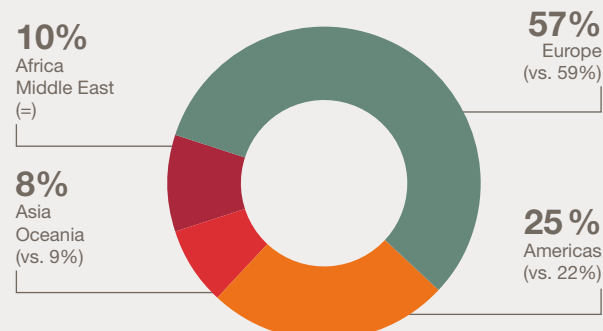
Vilmorin & Cie's product innovations are widely recognized, such as the summer squash variety Dharma (HM.CLAUSE) and the corn offering Hydraneo (Limagrain Europe), which were singled out as being among the 20 most important innovations by *European Seed* magazine in its ranking of "the most climate-friendly companies in 2021".

1.8.1.2. STRONG PRESENCE ON INTERNATIONAL MARKETS

All stages of seed development have an international dimension: research sites are distributed worldwide; seed production takes place in both hemispheres, while product distribution is carried out locally in the main areas of seed use.

Year after year Vilmorin & Cie has progressively internationalized its activities in order to ensure its development on all the continents and on a wide range of crops. This segmented approach to the market combines organic growth and external growth through strategic acquisitions, alliances and partnerships.

Analysis of sales of products by geographical area in 2021-2022 compared to 2020-2021



NORTH AMERICA: A MAJOR MARKET AND SOLID PROSPECTS

A leading region for vegetable and corn seeds

In the United States, Vilmorin & Cie enjoys strong positions: the Company is one of the main players in vegetable seeds and, through AgReliant, in corn seeds. With its efficient coverage of the territory, it has all the assets needed to continue its growth on the North American market, which, with more than 36% of the world market for seeds⁽¹⁾, is the largest market in the world in terms of value⁽²⁾.

(1) Excluding Mexico.

(2) Source: AgbioInvestor 2021.

A long-term growth region for wheat and pulses

Today, wheat yields average 3.2 tons per hectare in the United States, compared to 5.5 tons per hectare in Europe. The North American market is dominated, particularly in certain southern states, by farm seeds with lower yields, and is confronted with a major lack of innovation, unlike Europe where the seed companies involved in research into wheat varieties are very active in proposing ever more efficient varieties. Vilmorin & Cie therefore has a major opportunity to make the most of its expertise in this crop and to contribute to the conversion of the North American market towards more efficient wheat seeds, particularly in terms of yield.

In addition, in Canada, a change in regulations is underway that should lead to the application of royalties* on wheat seeds in the coming years. Even if implementation of this change is a slow process, it will eventually position the country among the world's leading players for this crop. It is in this context that the joint venture Limagrain Cereals Research Canada was created in 2015 with the Canadian company Canterra Seeds, with the aim of developing a wheat research program dedicated to this territory.

As a complement, and after the close of fiscal year 2021-2022, Vilmorin & Cie extended this research program to pulses, more particularly dry peas and lentils, by signing a partnership with Saskatchewan Pulse Growers⁽¹⁾. Canada is the world's leading producer of pulses and represents a country with significant growth potential for the Company.

SOUTH AMERICA: A SUCCESSFUL START TO EXPANSION

Representing 20% of the value of the global seed market in 2021⁽²⁾, the South American market⁽³⁾ offers immense potential for development, particularly in field seeds. Soybean and corn account for more than 83% of the South American seed market, mainly concentrated in Brazil and Argentina⁽²⁾.

Historically, South America provided Vilmorin & Cie with an additional capacity for counter-season seed production. After accelerating its development on this continent at the end of 2018, with the acquisition of the companies Geneze in Brazil and Sursem in Argentina, Vilmorin & Cie managed to significantly strengthen its commercial positions on major crops (corn, soybean, sunflower and wheat), and every year achieves more and more successful commercial campaigns, enabling it to increase its market shares.

Apart from these two countries, Vilmorin & Cie is working on the development of new markets, in Paraguay and Uruguay, in partnership with local distributors. It is also developing its activities in Chile and Peru, countries mainly dedicated to research and seed production.

ASIA AND AFRICA: TWO PROMISING MARKETS

Asia: an essential development area

With the continuous growth in its population, which already represents more than half the world's population, and the evolution of its consumption habits, the Asian market for seeds is very promising. Representing more than 22% of the world market in value⁽²⁾, it is now positioned as the second largest seed market in the world after North America.

Vilmorin & Cie's activities in Asia are organized around three priority zones. Initially present in India and China, the Company developed in Southeast Asia through the acquisition of Seed Asia⁽⁴⁾ (Thailand. Field crops) in 2014 and Tropdicorp (Vietnam. Vegetables) in 2015.

The continued expansion of Vilmorin & Cie's business activities in Asia is a clear strategic objective, both in vegetable and field seeds, with an approach that combines respect for cultural specificities and protection of intellectual property. In the longer term, the Company's ambition is to achieve in Asia:

- 20% of its sales in Vegetable Seeds (compared with approximately 11% in 2021-2022),
- 15% of its consolidated sales (compared to around 6% in 2021-2022).

As far as field seeds are concerned, the prospects of the Chinese market gradually opening up to GMO* technologies for corn and soybean seeds also represent a strong development potential for Vilmorin & Cie.

Africa: a market with potential

Even though the market for seeds in Africa today represents less than one billion US dollars⁽⁵⁾, it is ultimately assured of considerable development, especially because of extremely dynamic population growth, and the gradual adoption of commercial seeds.

Already present with vegetable seeds, in particular in the Maghreb countries and in South Africa, Vilmorin & Cie set up business at the beginning of 2013 on the market for corn seeds, the most widely grown crop in Africa. The Company's development in Africa is presented in detail on page 47, paragraph 1.5.2.4.

Through its strategic alliance with Seed Co, the leading African seed company, Vilmorin & Cie has a solid base in all the key zones of the continent. The continued growth of its activities in Africa will continue to be based on direct operations, partnerships and distribution agreements, while adapting to the specificities of the different countries. Thus, the Limagrain Zaad South Africa joint venture, set up in 2020-2021 from the merger of the field seeds activities in South Africa of Vilmorin & Cie

(1) Is a not-for-profit organization representing and supporting approximately 15,000 pulse crop growers in Saskatchewan (Canada).

(2) Source: AgbiolInvestor 2021.

(3) Including Mexico.

(4) Company today named Limagrain Thailand.

(5) ISAA. By 2050, Africa will contain almost a quarter of the world's population Source: United Nations Food and Agriculture Organization/FAO).

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(formerly Link Seed), Seed Co and Klein Karoo Seed Marketing⁽¹⁾, has set itself the ambition of achieving a 10% market share in corn in the country within 3 to 5 years of its creation.

1.8.1.3. THE CAPACITY TO COMBINE TARGETED ACQUISITIONS AND PARTNERSHIPS

A VIRTUOUS AND RESPONSIBLE EXTERNAL GROWTH POLICY

Vilmorin & Cie's external growth policy meets several major challenges:

- gain access to differentiating and/or complementary genetic resources* for strategic crops,
- acquire new production capacities and/or create new platforms for commercial development,
- penetrate and cover areas with high potential to provide new outlets and guarantee that the offer is adapted to local demand,
- ensure there is a better spread of risks (climate, industrial, logistics, etc.).

During each acquisition process, Vilmorin & Cie gradually integrates the acquired company, with the will to preserve its identity and to capitalize on the existing assets and know-how of the teams in place. Product development and local distribution networks are often retained, whereas the functions that can generate synergies (upstream research, administration, etc.) are pooled.

Thanks to its organization into Business Units, Vilmorin & Cie has a local management that guarantees that its strategic choices are respected and that local cultures and specificities are taken into account, in order to meet the diversity of needs and situations in all the countries where the Company operates. Vilmorin & Cie is therefore strongly involved in the regions in which it operates.

THE CAPACITY TO WORK IN PARTNERSHIP

As a complement to its policy of targeted acquisitions, Vilmorin & Cie has established numerous collaboration agreements all over the world, whether scientific, industrial or commercial. The Company thus relies on several scientific partnerships with public or private research laboratories, universities, start-ups, etc. These are presented in detail on page 59, paragraph 1.8.1.1.

In addition to these partnerships, there have also been investments in companies or co-creations of companies, such as AgReliant, a joint venture created in 2000 with the German seed company KWS, which is now one of the major players on the North American corn market, and Genective, a joint venture also founded with KWS, for the development of GMO* corn traits*. Vilmorin & Cie has also created joint ventures and acquired significant stakes throughout the world: Seed Co in Africa, Hengji Limagrain Seeds in China, Australian Grain Technologies in Australia, Canterra Seeds in Canada, etc., which open up new avenues for the breeding*, production and distribution of seeds

FIRST-RATE FINANCIAL PARTNERS

Vilmorin & Cie's development and that of its Business Units on the vegetable and field seeds markets is based on a solid financial structure, which was significantly strengthened over the past few years:

- in October 2020, Bpifrance became the second largest Shareholder in Vilmorin & Cie (with a stake of 5.71%) alongside Limagrain, in order to support the deployment of the Company's strategy.
- in March 2021, Sofiprotéol⁽²⁾ increased its stake in the capital of Limagrain Europe SAS (Field Seeds) to 25 million euros, thus contributing to the reinforcement of the Business Unit's equity,
- in March 2021, Vilmorin & Cie successfully placed a bond issue of 450 million euros with diversified European investors, maturing in 7 years, with an annual coupon of 1.375%.
- in June 2021, Vilmorin & Cie completed an inaugural bond issue in the form of a "US PP" private placement, fully subscribed to by Barings, an American institutional investor, for 50 million euros maturing in 10 years (a second tranche of 50 million euros was drawn down at the end of the year 2021).

(1) Klein Karoo Seed Marketing is a South African seed company which has been firmly established in the country since its creation in 2002; it is a subsidiary of the South African group Zaad, which in turn belongs to the Zeder Investment group, which specializes in the agricultural sector and is listed on the Johannesburg stock exchange.

(2) Sofiprotéol is a financing and development company, a subsidiary of the Avril Group, committed to companies in the agro-industrial and agri-food sectors.

1.8.2. VILMORIN & CIE'S STRATEGIC PRIORITIES

Vilmorin & Cie proposes an offer centered on seeds and plant improvement, for all types of agriculture, on all continents. It seeks to preserve the independence and freedom of choice of farmers and vegetable growers concerning their other production factors.

On the strength of this specific model, Vilmorin & Cie is pursuing several strategic priorities in order to accelerate its expansion and reinforce its positions as a leading seed company over the long term.

VEGETABLE SEEDS

A global market with high added value (5.7 billion dollars in 2021⁽¹⁾), highly segmented in terms of products and production methods.

Objective

STRENGTHEN WORLD LEADERSHIP

Strategy

- Achieve a global footprint and become a leader on all markets, with strong ambitions in Asia, and all the strategic crops.
- Combine organic and external growth:
 - maintain an organic growth dynamic, thanks to the virtuous circle of innovation, combined with close proximity to its markets, and permanent optimization of the efficiency of the business,
 - strengthen positions through targeted external growth operations.

FIELD SEEDS

A global market estimated at more than 36 billion dollars in 2021⁽¹⁾, including almost 22 billion dollars for genetically modified seeds.

Objective

BE A RECOGNIZED PLAYER ON ALL CONTINENTS AND FOR A WIDE RANGE OF CROPS

Strategy

- Develop a multi-crop offer around four strategic crops (corn, wheat, sunflower and rapeseed), and a portfolio of crops adapted to each region.
- Count on several complementary pillars:
 - a footprint on all continents,
 - a strong brand: LG,
 - efficient research & development,
 - the capacity to develop solid international partnerships.

2 STRATEGIC WORLD CROPS

CORN SEEDS

No. 1 crop worldwide in terms of value (more than 19 billion dollars in 2021⁽²⁾)

Objective

CONFIRM STATUS AS A GLOBAL PLAYER

Strategy

- Strengthen leading positions in Europe and North America.
- Pursue expansion in South America.
- Strengthen activities in the development regions (Asia and Africa).
- Pursue varietal innovation and develop a proprietary range of genetically modified varieties.

WHEAT SEEDS

No. 1 crop worldwide in terms of acreage (more than 220 million hectares in 2021⁽³⁾)

Objective

ULTIMATELY BECOME THE WORLD REFERENCE

Strategy

- Contribute to the conversion of the market into one of high value seeds.
- Consolidate leadership in Europe and Australia.
- Develop solid positions in North America.

(1) Source: AgbiolInvestor 2021.
(2) Source: IHS Markit Crop Science© 2022.
(3) Source: USDA 2022.

PRESENTATION OF VILMORIN & CIE

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1.8.2.1. VEGETABLE SEEDS STRATEGY

No. 1 in the world in vegetable seeds since fiscal year 2018-2019, Vilmorin & Cie aims to consolidate its world leadership and global presence, through the penetration of new segments, to become a leader on all the main markets and all the strategic crops.

Vilmorin & Cie thus aims to consolidate its positions in the most mature markets (Europe, North America, Middle East), while continuing its development in emerging zones, in particular Asia and Africa. To achieve this, Vilmorin & Cie relies on its organization into Business Units and implements a strategy combining organic growth and external growth through:

- a strong flow of innovations,
- close proximity to markets, through its organization into Business Units,
- permanent optimization of the efficiency of the Vegetable Seeds activity,
- target acquisition operations enabling existing positions to be reinforced.

Finally, Vilmorin & Cie's Vegetable Seeds activity aims to be recognized as a major contributor to the development of sustainable agricultural production systems.

STRENGTHEN ITS GLOBAL FOOTPRINT AND BECOME A LEADER ON ALL THE MAIN MARKETS AND FOR ALL STRATEGIC CROPS

Vilmorin & Cie is established on all the continents and today covers almost all the major crops grown in the world: a global footprint that needs to be strengthened by penetrating new segments – such as seeds for high-tech greenhouses or organic farming – in order to become a leader on all the main markets and for all the strategic crops.

In addition to consolidating its positions in the most mature regions, Vilmorin & Cie has strong ambitions for development in emerging regions, first and foremost Asia, which is home to more than half the world's population, and Africa, which will have almost a quarter of the world's population by 2050⁽¹⁾.

Already firmly established in Japan through its Business Unit Vilmorin-Mikado, Vilmorin & Cie's strategy is to significantly strengthen its presence in Asia (organic growth, acquisitions, partnerships) in order to achieve, in the long term, 20% of its sales in Vegetable Seeds (compared with around 11% in 2021-2022). The Company has thus chosen to dedicate specific resources to this high-potential zone.

- In India, through its Business Unit HM.CLAUSE, Vilmorin & Cie benefits from a solid base in terms of breeding*, production and the distribution of seeds.

- In China, a key country for vegetable production, Vilmorin & Cie relies on the breeding stations* of all its vegetable Business Units and on the Hazera Qiming Seeds joint venture. Created in 2019-2020 from the partnership between the Business Unit Hazera (which has a majority stake) and a group of Chinese operational partners involved in the vegetable seeds sector, this joint venture has enabled Vilmorin & Cie to strengthen its presence in the country, covering research as well as production and distribution, while at the same time deploying a gradual, cautious approach with regard to the challenges involved in protecting intellectual property.
- At the same time, since fiscal year 2018-2019, the merger of the sales teams from the Business Units Vilmorin-Mikado and HM.CLAUSE has made it possible to address the Chinese market more effectively.

Africa is also a key region for Vilmorin & Cie. Its development on the continent relies in particular on the joint venture Prime Seed Co International, created in 2016-2017 with the African seed company Seed Co. Carried out as part of the partnership between the two companies⁽²⁾, this joint venture is operationally established between the Business Unit HM.CLAUSE and Seed Co. HM.CLAUSE provides this structure with its know-how in terms of the development of new varieties, while Seed Co provides it with its knowledge of African distribution networks.

Vilmorin & Cie will thus gradually extend its presence in the sub-Saharan African market, whose potential is very promising.

COMBINE ORGANIC AND EXTERNAL GROWTH

Maintain a strong organic growth dynamic

- **The virtuous circle of innovation:** As a result of its efforts in research & development, innovation is at the heart of Vilmorin & Cie's growth dynamic on the vegetable seeds market, the development of which is linked, in particular, to the perfecting of more efficient seeds with high added value. Mastering cutting-edge research technologies, such as plant biotechnology* (molecular marking*, cell biology, etc.), is therefore essential for breeders*, as it contributes directly to the acceleration of plant breeding*.
- Upstream research for Vegetable Seeds is mutualized and cross-cutting, using clusters of expertise dedicated to all the Business Units:
- the cluster specialized in artificial vision, created in 2007 by the Business Unit Vilmorin-Mikado in La Ménitère (France), which has developed state-of-the-art image processing tools that enable information to be obtained and analyzed in an automated way, from the seed to the finished product, including the seedling and the fruit - these tools are used in many fields (research, quality control, etc.),
 - the cluster specialized in molecular biology, run by the Business Unit HM.CLAUSE,

(1) Source: Food and Agriculture Organization of the United Nations/FAO.

(2) Partnership between Vilmorin & Cie and Seed Co is presented in detail on page 47, in paragraph 1.5.2.4.

- the specialized entomology pole, developed by the Business Unit Hazera, aimed at detecting links between insect behavior and genotypes.

Several platforms are shared by the three Business Units, such as the one in Culiacan (Mexico), devoted to the pathology of crops grown in the region (mainly tomatoes and peppers).

- **Proximity to markets:** Vilmorin & Cie's extensive network of direct sites on all the continents and its organization into Business Units guarantee close proximity to its customers. The Business Units are positioned worldwide and are supported by teams that are as close as possible to the markets, from plant breeding*, to product development and marketing. This organization, which combines a global vision with a local approach, provides in-depth knowledge of customer needs in highly fragmented markets.

The three Business Units work in close coordination and capitalize on their complementarities, for example in terms of products, infrastructures, services and distribution approaches – particularly with regard to the digitalization of customer relations, accelerated by the health crisis –, in order to address markets more effectively. The search for synergies and collaborative projects between the Business Units is intended to continue and be strengthened: the process of optimizing research programs on cauliflower, which began in fiscal year 2021-2022, is part of this desire and is intended to enable Vilmorin & Cie to become, in the long term, the world leader for this crop.

- **Permanent optimization of business efficiency:** in order to attain operational excellence, Vilmorin & Cie has implemented a continuous improvement approach to its systems and processes, at all stages of its development model. There are many regular investments to open new research centers or modernize existing infrastructures, such as those made during fiscal year 2021-2022 in China (Business Unit Vilmorin-Mikado and the Hazera Qiming Seeds joint venture), and on "Rapid Cycling" structures for lettuce (Business Unit Vilmorin-Mikado) and tomato and cucurbits (Business Unit HM.CLAUSE).

Strengthen positions through targeted external growth operations

Vilmorin & Cie completed several external growth operations through the targeted acquisition of companies in recent years, including:

- in 2015, Tropdicorp (Vietnam), specializing in cucurbit seeds,
- in 2016, Genica Research (United States), active mainly in sweet pepper, hot pepper and cucumber,
- in 2018, AdvanSeed (Denmark), specializing in hybrid* spinach and leafy vegetable seeds.

These targeted operations enable Vilmorin & Cie to consolidate its current geographical set-up, and solidify the key regions and crops that are less prominent in the line-ups of the Business Units; such operations will continue in the years to come, with a particular focus on Asia.

1.8.2.2. FIELD SEEDS STRATEGY

No. 7 in the world for field seeds, Vilmorin & Cie's objective is to be a recognized player on all the continents and for a wide range of crops.

Corn, wheat, sunflower and rapeseed are the four strategic crops identified by Vilmorin & Cie - as global crops, corn and wheat represent priority areas for development and are the subject of a specific strategy. In addition, the Company is developing a diversified portfolio of crops adapted to each region where it operates: barley, soybean, millet, rice and pulses.

Vilmorin & Cie's multi-crop approach is based on several complementary pillars:

- a footprint on all the continents,
- a strong brand: LG,
- efficient research & development, combining rich and diversified genetic resources* and the use of the most recent technologies,
- the capacity to develop solid international partnerships.

CORN SEEDS:

CONFIRM STATUS AS A GLOBAL PLAYER

Corn is the largest seeds market in the world in terms of value: it represented more than 19 billion dollars in 2021, almost 45% of the global market for commercial seeds and almost half of the world market for field seeds⁽¹⁾. In 2021, 206 million hectares were devoted to this crop worldwide⁽²⁾.

Building on its expertise and strong positions in Europe and North America, in 2010 Vilmorin & Cie embarked on a strategy of internationalization of its corn activities, on markets with strong growth dynamics: South America, Asia and Africa.

The Company is now targeting 90% of the world's potential corn acreage. This internationalization strategy has also enabled it to approach corn with a more comprehensive vision of the crop: Vilmorin & Cie has thus been able to enrich its research process and gain access to complementary genetic resources*, particularly in tropical corn; it is able to work in a wide variety of climatic environments, with different objectives for using corn.

(1) Source: IHS Markit Crop Science© 2022.

(2) Source: USDA 2022.

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Strengthen leading positions in Europe and North America

Historically present on the corn market in Europe and North America, Vilmorin & Cie aims to reinforce its leading positions in these major regions of the world.

- In Europe, Vilmorin & Cie intends first of all to consolidate its position as No. 2 on the forage corn segment by developing new varieties that offer improved performances. In a context where its competitive positions in corn are becoming more and more international, the Company also intends to develop its presence on the grain corn segment by bringing out new products. The world market for corn is divided between grain corn (which accounts for the majority of the world's acreage) and forage corn, which is essentially European. There are therefore research programs dedicated to grain corn, with the aim of adding innovations to the existing range that meet farmers' expectations even better (higher yields, better resistance to disease, etc.).
- In North America, AgReliant's development will continue to rest on its specific market approach, combining a seed offering of high added value and a differentiating sales policy. This information is presented in detail on page 43, paragraph 1.5.2.2.

Pursue expansion in South America

The South American market, on which Vilmorin & Cie is achieving strong growth in sales every year, is mainly organized around two dominant crops – corn and soybean –, supplemented by other major crops such as sunflower and wheat. In corn, the use of genetically modified varieties is very high (Brazil is the world's second largest market in terms of GMO* corn acreage⁽¹⁾), while in Argentina, the world's fourth largest corn market, temperate corn genetics offer synergies with genetic resources* from Europe, North America and southern Africa.

Originally, South America enabled the Company to strengthen its capacity to produce counter-season seeds to extend the period of availability of products in the northern hemisphere. Initiated at the end of 2018, its expansion in this region was built through its Business Unit Limagrain South America⁽²⁾ and the acquisition of two companies:

- Geneze (Brazil), which enabled it to gain new market share and to acquire complementary proprietary genetic resources* in corn,
- Sursem (Argentina), which enabled it to complete its research facilities and to develop production and commercial distribution activities.

Vilmorin & Cie's development prospects in South America are presented in detail on page 45, in paragraph 1.5.2.3.

Strengthen activities in the development regions: Asia and Africa

With 66 million hectares cultivated in 2021, Asia is the leading geographic zone for corn acreage⁽³⁾. The progression of business in this crop will come firstly from an increase in the volumes of conventional seeds sold, potentially supplemented in the long term by the introduction of GM* varieties that are even better suited to the challenges of improving yields – to date, only the Philippines and Vietnam have adopted GM* corn, but the prospects of the Chinese market gradually opening up to GMO* technologies for corn and soybean seeds represent a strong development potential for Vilmorin & Cie.

The Company has defined three priority investment zones in Asia:

- India, where Vilmorin & Cie has a market share of around 4% in corn seeds. Its organization is built around Bisco Bio Sciences (today named Limagrain India), one of the leading Indian players in corn seeds, which has been fully owned since 2013, as well as a research center dedicated to corn and rice, located in the north of the country, in addition to the center located in Yadaram (Telangana State). Vilmorin & Cie thus benefits from a structured organization, a guarantee of its future development in the country, particularly for corn.
- China is a key country where the Company's footprint on the corn market is ensured by the joint venture Hengji Limagrain Seeds, in which it holds 45% of the capital⁽⁴⁾, as well as a network of research centers, located according to the different types of corn (spring, summer and sub-tropical). Thanks to a flow of quality varieties, the Hengji Limagrain Seeds business is progressing every year, particularly in the north-east of China (temperate corn), and in the center and south of the country (sub-tropical corn).
- Southeast Asia, covered since 2014 with the acquisition of the company Seed Asia (Thailand), now called Limagrain Thailand, specialized in hybrid tropical corn* – this operation enabled Vilmorin & Cie to supplement its genetic heritage* in tropical corn with resources that are also adapted to other zones (India, Brazil, South China and Africa).

In Africa, corn is the main crop, with more than 40 million hectares in 2021, i.e. around 20% of the world's corn acreage⁽⁴⁾. Vilmorin & Cie's activities on this continent were developed in particular in 2013-2014 through the acquisition of a minority stake in Seed Co, the leading African seed company, which has a strong presence in white corn for human consumption⁽⁵⁾. More recently, the two companies created two joint ventures on the white and yellow corn segment: Seed Co West and Central Africa (Ghana) and Limagrain Zaad South Africa (South Africa). The latter entity, which has just completed its second fiscal year, today represents 5.5% of market shares in corn; it has set itself the ambition of reaching 10% of market shares in corn in the country within 3 to 5 years.

(1) IHS Markit Crop Science© 2022.

(2) On July 1, 2022, the two Business Units Limagrain Cereal Seeds and Limagrain South America are merged in one single BU named Limagrain Americas.

(3) Source: USDA 2022.

(4) In China, the participation of foreign companies in the capital stock of Chinese field seed companies is currently limited by law to minority positions.

(5) Vilmorin & Cie's activities and development in Africa are presented in detail on page 47, in paragraph 1.5.2.4.

Pursue varietal innovation and develop a proprietary range of genetically modified varieties

The global market for genetically modified corn seeds is worth more than 11 billion dollars⁽¹⁾ and will account for 30% of the acreage cultivated in 2021⁽²⁾. It is characterized by increasingly complex products, often combining several traits* for the same variety.

Within this market, Vilmorin & Cie's ambition is to position itself among the few global players providing technology, and to develop a proprietary range of transgenic corn seed varieties, through two main lines of action:

- **Genective**, a 50/50 joint venture with the German seed company KWS, which is working on the development of proprietary GMO* corn traits* in addition to the traits* currently licensed in.

For the past three years, through its partnership with AgBiome, Genective has had access to all the insect resistance genes identified by this leading American company in microbial technology for plant protection. This multi-year program provides Genective with significant capabilities to discover new ways to control major corn pests as an alternative to agrochemical treatment products. Ultimately, the work carried out by Genective will enable Vilmorin & Cie to have corn seed varieties incorporating its own technologies, targeting primarily the American markets (North and South America), as well as other potential GMO* markets (Asia and Africa).

- **Long-term license agreements signed with Syngenta**, in October 2015, authorizing Vilmorin & Cie, as well as AgReliant⁽³⁾ for the North American market, to commercially use current and future GMO* corn traits developed and marketed by Syngenta - while offering the possibility to combine these traits* with those developed by Genective. These agreements supplement and strengthen Vilmorin & Cie's technological platform, which is now in a position to offer farmers throughout the world a greater number of options and highly competitive corn seed varieties. Although still representing a limited portion of sales volumes, the share of Syngenta-developed GMO* traits* is gradually increasing in both South and North America, where these traits* are combined with AgReliant's proprietary genetics, the share of which was also increasing by the end of fiscal year 2021-2022.

WHEAT SEEDS: ULTIMATELY BECOME THE WORLD REFERENCE

Contribute to the conversion of the market into one of high value seeds.

Wheat is the most widely grown cereal in the world with more than 220 million hectares in 2021⁽⁴⁾, and is the staple food for one third of the world's population, which is constantly increasing. Yet wheat is suffering globally from low yields, and this represents a serious underlying risk for the world's food balance – a risk that is all the greater in a context where current geopolitical tensions highlight the dependence of many regions of the world on importing this grain.

This situation can be explained by a lack of major innovation for this crop with very complex genetics, and consequently the low use of commercial seeds. With the support progress in genetics, the seed sector is working to develop seeds that guarantee better performance and higher value.

Through its research programs on hybrid* wheat, Vilmorin & Cie is taking a very long-term view in order to contribute to the conversion of this market into a high-value seed market, particularly in Europe. In February 2021, scientific work carried out by the Company, in collaboration with the University of Western Australia, was published in the scientific journal Nature Communications. It represents significant progress in understanding the mechanisms involved in sterility and fertility restoration in wheat.

Consolidate leadership in Europe and Australia

- In Europe, Vilmorin & Cie is the second largest player in the straw cereals segment (wheat and barley), with a market share of 12% for wheat, which exceeds 20% in certain countries. In order to maintain this leadership and strengthen its competitive positions, the Company intends to develop varieties that are perfectly adapted to soils, climates and industrial outlets, while improving the potential and regularity of the yields offered.
- In Australia, Vilmorin & Cie is also a major player in wheat through its minority stake of almost 33% in Australian Grain Technologies, the Australian leader in the breeding*, development and distribution of cereal seeds, with over 50% of the market⁽⁵⁾. This major market also benefits from an efficient system for collecting royalties*.

Develop solid positions in North America

The United States and Canada are among the main wheat production zones in the world. In these countries Vilmorin & Cie operates through the entity Limagrain Cereal Seeds, based in Fort Collins (Colorado, United States) and integrated into the Business Unit Limagrain Americas⁽⁶⁾ since July 1st 2022. The Company's facilities in North America are described in detail on page 43, paragraph 1.5.2.2.

Through its development on these markets, the Company intends to become the world leader in this strategic crop.

(1) Source: AgbioInvestor 2021.

(2) Source: IHS Markit Crop Science© 2022.

(3) 50/50 joint venture created in July 2000 with the German seed group KWS.

(4) Source: USDA 2022.

(5) Source: Internal.

(6) On July 1, 2022, the two Business Units Limagrain Cereal Seeds and Limagrain South America are merged in one single BU named Limagrain Americas.

PRESENTATION OF VILMORIN & CIE

1.8. STRATEGY AND OBJECTIVES

1.8.3. OBJECTIVES FOR 2022-2023

Market conditions for fiscal year 2022-2023 are likely to remain uncertain and fluctuating, due to inflationary pressures resulting, in particular, from the geopolitical context. In this environment, Vilmorin & Cie will continue to play its role as a leading seed company by continuing to strengthen its competitive positions; the Company will pursue its measured investment in research & development, in particular in upstream technologies, while remaining attentive to any opportunity for external growth, in line with its strategic challenges and foundations.

For fiscal year 2022-2023, Vilmorin & Cie has set itself the objective of achieving an increase in consolidated sales of between 6% and 8%⁽¹⁾, excluding the positive impact of the EGAlim law on sales (which will however be neutral concerning the operating income)⁽²⁾.

The Company is aiming for a current operating margin rate of at least 8%, impacted by the evolution of its business mix in favor of Field Seeds. This rate will take into account investment into research at a similar level, as a percentage of sales, to that of the two previous fiscal years, and spread evenly between Vegetable Seeds and Field Seeds.

Finally, Vilmorin & Cie is aiming for a contribution from associated companies - mainly AgReliant (North America. Field Seeds), Seed Co (Africa. Field Seeds) and AGT (Australia. Field Seeds) - at least equal to that of fiscal year 2021-2022.

Vilmorin & Cie's commercial prospects in Ukraine-Russia

In Ukraine, the outlook for the coming fiscal year remains moderate, due to the difficulty of local farmers and distributors to obtain funding and, more generally, the lack of visibility in the region due to the continuing conflict with Russia. Accordingly, the Company expects a level of activity similar to that of fiscal year 2021-2022.

In Russia, thanks to the performance of its sunflower and corn seed varieties in particular, Vilmorin & Cie intends to confirm the momentum observed during the previous fiscal year. Prospects to date are favorable, but their realization remains subject to growing logistical and geopolitical problems, to which the Company is striving to find solutions.

1.8.4. OUTLOOK FOR DEVELOPMENT

The acceleration of climate, environmental and demographic challenges has put the issues of food production and food sovereignty at the center of the concerns of governments and citizens.

After the Covid-19 pandemic in the previous two years, the essential role of agriculture and, consequently, of the seed business, was again highlighted following the outbreak of the Russian-Ukrainian conflict in February 2022.

As the basis of all agricultural production, seeds are a strategic asset that guarantee global food security and, beyond that, the economic, social and political stability of human societies.

Thanks to its expertise in plant improvement, constantly consolidated by its regular investment in Research & Development, Vilmorin & Cie is able to offer all forms of agriculture, on all continents, the capacity to produce more and produce better. The Company's role is fundamental in supporting the necessary increase in agricultural production in order to respond to the evolution of world population trends and the emergence of new consumption habits. At a time when arable land is being reduced due to urbanization and climate change, Vilmorin & Cie's know-how in proposing high-performance seeds, in terms of yield, nutritional value and resistance to abiotic stresses*, is a major asset that sets it apart.

On a growing commercial seeds market and in a context of rising prices for agricultural raw materials in the medium term, Vilmorin & Cie intends to build on its strategic foundations and achieve its priority development objectives, in order to accelerate its expansion and reinforce its position as world leader in the long term.

(1) On a like-for-like basis.

(2) The law of October 30, 2018, for the balance of trade relations in the agricultural and food sector, and healthy, sustainable and accessible food for all, known as the EGAlim modify product flows between Vilmorin & Cie and its supplier, Limagrain Cooperative.



2. RISK FACTORS

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Vilmorin & Cie operates in an increasingly demanding and changing international normative and regulatory context, which requires compliance and risk management to be integrated into the management and governance of the company. Accordingly, risk management is an integral part of Vilmorin & Cie's global strategy, which continues to build and continuously improve its risk management system.

Its objective is to anticipate the threats to which Vilmorin & Cie is exposed in order to:

- preserve its employees, assets and reputation,
- promote the achievement of its objectives,
- ensure its sustainability.

2.1. RISK MANAGEMENT ORGANIZATION

The Governance, Risk, and Compliance Department (GRC) ensures that a coherent and effective system for controlling activities exists for Vilmorin & Cie. It coordinates the identification of major risks and the plans on how to deal with them, as well as the resulting process improvements. It also ensures compliance with laws and regulations. As a coordination and control function, it comprises five departments: Risk and Insurance Management; Security, Safety, Crisis and Business continuity; Product Quality Risk Management; Internal audit; Personal Data and Compliance. It provides both the General Management and operational entities with expertise and support in adapting to the increasingly stringent market requirements, in terms of governance, transparency and compliance, as well as crisis management.

During the course of fiscal year 2021-2022, the organization of the GRC Department changed and the Risk Management and Insurance departments merged. The Risk Management and Insurance Department is responsible for coordinating Vilmorin & Cie's global risk management approach in order to ensure that risks are controlled, and if necessary, to finance the coverage of insurable risks.

Within this department, Risk Management steers the risk management process at Vilmorin & Cie. Its main missions are to coordinate the various players, to ensure that the group's methodology is properly deployed and to report the results of evaluations to the Executive Committee and to Vilmorin & Cie's Audit and Risk Management Committee.

During fiscal year 2021-2022 Vilmorin & Cie therefore drafted and deployed group guidelines on the process and methodology of global risk management and the treatment of the highest risks.

Vilmorin & Cie's risk management system is based on three essential pillars:

- an iterative process that regularly ensures the pertinence of risk levels in the Company,
- a network of players that allows connections between operational activities, Corporate functions and management,
- a common and shared methodology.

To manage the entire process, Vilmorin & Cie's risk management is based on a Risk Management Information System (RMIS) deployed across all Business Units.

Governance of the risk management system is described in detail in page 120, part 4 "management report".

2.1.1. THE RISK MANAGEMENT PROCESS

The risk management process is based on a formalized methodology for the use of a common language and assessment criteria between the different activities and the operational entities of Vilmorin & Cie.

This process is divided into four steps:

- risk assessment (identification, description, analysis and evaluation of criticality*),
- the position of the management bodies on the acceptable level of each risk and the validation of treatment plans,
- the treatment of these risks (implementation of action plans to bring the risk to the desired level),
- monitoring the implementation of treatment plans via key performance indicators (KPIs) and their results with key risk indicators (KRIs).



To assist the Business Units in identifying their risks and to achieve a more consistent consolidation of these risks at the level of Vilmorin & Cie, a common reference framework has been established. It includes 61 risks for mapping for fiscal year 2021-2022. These are classified into fifteen risk domains determined by the source of the risk.

2.1.2. THE PEOPLE INVOLVED IN RISK MANAGEMENT

Implementation of the risk management process is based on a network of participants identified at Corporate level and in each Business Unit. At Vilmorin & Cie, a risk management officer manages this network.

The roles of each type of participant have been clearly defined:

- **Risk owners:** in each Business Unit, they are members of the Operating Committee, and at the level of Vilmorin & Cie, members of the Executive Committee. They are in charge of defining the risk tolerance for their scope and providing the means to implement treatment plans if necessary.
- **Risk domain coordinators:** they are appointed by the members of Vilmorin & Cie's Executive Committee. Through their expertise and responsibility in the domain concerned, they coordinate risk management for this domain throughout the scope of Vilmorin & Cie.
- **Business Unit risk coordinators:** each Business Unit Operating Committee has appointed a coordinator whose role is to ensure that the risk management process is duly implemented and to coordinate the participants within its Business Unit. The risk coordinator reports to the Operating Committee of its Business Unit on the risk management process.
- **Risk controllers:** they are appointed directly or indirectly by the risk owners for their knowledge of, or proximity to, the risk scope. They are responsible for implementing risk management plans.

2.1.3. ASSESSMENT METHODOLOGY

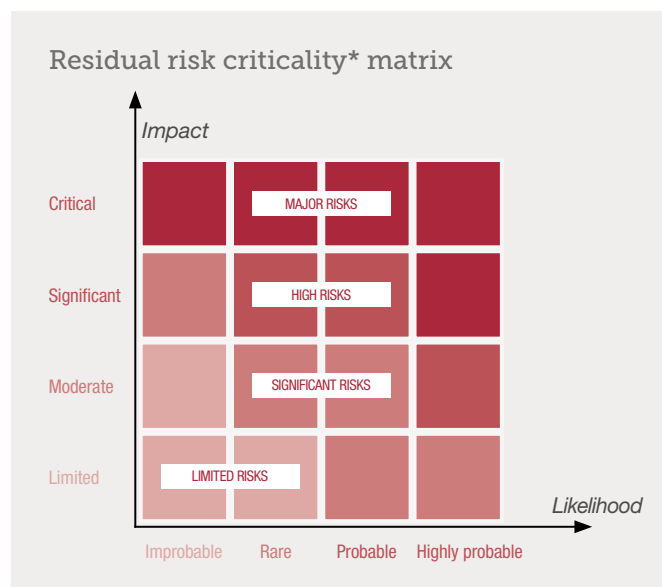
Vilmorin & Cie's risks are described and analyzed in risk scenarios specific to Vilmorin & Cie, i.e. events that may occur internally or externally and have an impact on Vilmorin & Cie or its Business Units. These risk scenarios are then assessed by taking into account the control measures in place: assessment of residual risks according to their likelihood and their impact on two scales at four levels:

- the likelihood scale: improbable, rare, probable and highly probable,
- the impact scale: limited, moderate, significant and critical.

Each level of impact is assessed according to five criteria:

- operations/business/strategy (business continuity, reaching objectives),
- compliance with laws, regulations and ethical commitments,
- human (safety, security),
- financial,
- image/reputation.

By crossing the likelihood and impact of the risk, a position of the residual criticality* of the risk is obtained: major risk, high risk, significant risk, limited risk. Vilmorin & Cie's risk management policy is voluntarily demanding, as shown by the residual criticality* evaluation matrix where five out of sixteen boxes represent major risks.



The room for improvement in risk control is then studied in order to determine the prioritization of the new treatment plans to be implemented.

2.1.4. RISK MAPPING

This organization makes it possible to carry out risk mapping for each Business Unit and a global mapping at Vilmorin & Cie level. The risk map is updated annually in collaboration with the risk management system members at the level of the Company and its Business Units. An additional update may be conducted if the business context changes abruptly (e.g. change in the global context, change in scope, major crisis). In this respect, a non-exhaustive review of Vilmorin & Cie's risk mapping was carried out at the end of fiscal year 2021-2022 in order to analyze the impact of the Russia-Ukraine conflict on the operational risks identified for the Company's activities (see paragraph 2.1.5, page 72).

Risk mapping is also taken into account in the preparation of the annual internal audit program, and the audit findings feed back into the analysis of residual risks.

The risks identified are classified in risk domains and are set out in detail in risk sheets included in the Risk Management Information System (RMIS) deployed in all Vilmorin & Cie's Business Units.

The risk mapping method, the functions of the RMIS, as well as the networking of risk management, mean it is possible to carry out risk mapping specific to a particular domain if necessary.

Risks likely to have major consequences for Vilmorin & Cie are dealt with and monitored by the risk management network and reported to the Executive Committee and the Audit and Risk Management Committee. They are described in chapter 2.2. "The main risk factors."

Several risk factors which were previously described in this section are no longer developed:

- Risks that no longer appear among the most critical for Vilmorin & Cie:
 - *Risks of pollution and environmental non-conformities and Risks related to the compliance of practices, to ethical principles and to anti-corruption laws* are dealt with in chapter 5 "Corporate Social Responsibility and non-financial performance, on page 154 and page 150.
 - *Risks related to the strategy for growth and development and Legal risks related to the competition*, since their residual criticality* is weaker.
- Risks that are no longer identified as a component of Vilmorin & Cie's risk mapping for fiscal year 2021-2022: *Risks related to the price of agricultural raw materials*. Indeed, even if there is no direct correlation between the price of agricultural raw materials and the price of seeds, the current context, marked for several months by a high level of agricultural production prices, allows farmers to increase their investments in inputs* with a higher added value, which is favorable to Vilmorin & Cie's commercial performance: the current operating margin rate for the Field Seeds business has thus

increased significantly over the last three years, and at the end of fiscal year 2021-2022 stood at 5.3%, as opposed to 4.4% in 2020-2021 and 3.2 % in 2019-2020 (whereas the price of agricultural raw materials has no impact on the Vegetable Seeds business).

Furthermore, Vilmorin & Cie does not systematically use hedging instruments on the evolution of the price of agricultural raw materials, with the exception of its North American subsidiary AgReliant, which has forward purchase positions on corn and soybean on the Chicago market, enabling it to control the potential volatility of its supply costs.

2.1.5. THE IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

Vilmorin & Cie is present in Ukraine-Russia through 3 Business Units: Limagrain Europe (Field Crops), Vilmorin-Mikado and Hazera (Vegetables). They exercise research, distribution/storage and commercial functions, and host administrative sites. None of these three entities has its own production site.

Following the outbreak of the Russia-Ukraine conflict on February 24, 2022, a crisis unit was set up at Group level, and in each of the subsidiaries concerned, in order to guarantee, as a matter of priority, the safety and integrity of the employees present in this zone.

A non-exhaustive assessment of the risks identified for the Company's activities was carried out. The results of this analysis have not, to date, led to any change in the assessment in terms of impact or criticality* at the consolidated level of Vilmorin & Cie. Furthermore, the risk of armed conflict between Ukraine and Russia was already considered in the risk assessment. The possible impacts and scenarios, as well as the measures deployed, are described in detail in paragraph "2.2. The main risk factors" for the following risks:

- Risks related to cybersecurity,
- Risks related to a change in the economic or geopolitical environment,
- Risks of damage to reputation or image,
- Risks related to the procurement and purchase of key services and supplies,
- Risks related to agronomic production,
- Risks related to the security of persons and property,
- Risks related to exchange rates.

The crisis situation that has resulted from this conflict has created uncertainties that already had an impact on the Group's objectives as of the end of fiscal year 2021-2022. The uncertain evolution of the situation means that Vilmorin & Cie will have to monitor the situation closely, even if it is still difficult, at the moment, to assess the indirect consequences of the conflict, in the long term, on the prospects for business and results.

2.1.6. THE RESIDUAL IMPACTS OF THE COVID-19 HEALTH CRISIS

A review of the risk map was carried out in the spring of 2020, in addition to its annual update, in order to specifically take into account the impact of the Covid-19 health crisis on the Company's risks in the short and medium term. The new risks or risk scenarios that were identified during this additional study, and which were still relevant for the risk mapping for fiscal year 2021-2022, are now monitored and updated during the usual annual process provided for by Vilmorin & Cie's risk management system.

During fiscal year 2021-2022, the Covid-19 health crisis continued to impact the global context in which Vilmorin & Cie's Business Units operate. Thus the activities of the Vegetable Seeds and Field Seeds divisions were severely disrupted in China, in particular, due to the strict lockdown measures reactivated by the authorities in mid-March, which led to logistical, transport and workforce difficulties.

The residual impacts of the Covid-19 health crisis are described in section "2.2. The main risk factors", for each risk concerned.

2.1.7. MAPPING THE RISKS OF CORRUPTION AND INFLUENCE PEDDLING

The French law 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of economic life, known as the Sapin II Law, in the context of its provisions relating to the prevention and detection of acts of corruption, influence peddling, bribery, unlawful acquisition of interest, misappropriation of public funds and favoritism, imposes certain obligations, and in particular an obligation of vigilance, applicable to companies of a certain size, so that they implement procedures to detect and prevent acts of corruption both in France and other countries. Vilmorin & Cie is one of the companies concerned⁽¹⁾.

Article 17 of the Sapin II law obliges Top Executives to implement a minimum, compulsory anti-corruption system, including in particular the construction of a risk map intended to identify, analyze and prioritize the risks of exposure of the company to corruption, in particular according to the activity of the entity and its geographical area.

Moreover, business ethics is one of the pillars of Vilmorin & Cie's Corporate Social Responsibility (CSR) policy. A business ethics and anti-corruption program was defined as of fiscal year 2017-2018 in order to be deployed in all Vilmorin & Cie's Business Units. It is in this context that Vilmorin & Cie conducted an assessment and initial mapping of corruption risks in fiscal year 2018-2019, using the risk mapping methodology described in paragraphs 2.1.3. and 2.1.4. This risk mapping is based on a specific reference system for corruption and completes the overall risk mapping with a more detailed analysis. This corruption risk repository has been adapted to Vilmorin & Cie's Business Units, which have carried out a precise mapping of the corruption risks related to their activities. During fiscal year 2021-2022, the Business Units updated their respective maps, validated by their management bodies.

A summary of the main risks consolidated at the level of Vilmorin & Cie was also updated during fiscal year 2021-2022, validated by Vilmorin & Cie's Executive Committee at the beginning of 2022 and presented to the Audit and Risk Management Committee. As part of Vilmorin & Cie's business ethics and anti-corruption program, action plans designed to improve control of the most important corruption risks are being deployed and monitored through indicators by a Group Steering Committee. This committee is made up of the Governance, Risks and Compliance Manager, the Corporate Social Responsibility Manager, the Legal Affairs Manager, the Human Resources Manager and the Chief Financial Officer.

⁽¹⁾ The law applies to French companies or groups of companies headquartered in France with more than 500 employees and annual corporate or consolidated sales of more than 100 million euros, as well as their foreign subsidiaries.








2.2. THE MAIN RISK FACTORS


The following paragraphs describe the main risks identified in 2021-2022 and their treatment plan. These are divided up into seven risk categories. In each category, the risks are presented according to an order of decreasing residual criticality* determined by Vilmorin & Cie at the date of this Annual Report.

Since the Annual Report of 2019-2020, and due to the new ESMA (European Securities and Markets Authority) and AMF (French Securities Regulator) guidelines on risk factors within

the framework of the European "Prospectus" regulation, Vilmorin & Cie has limited its description to the most critical risks in its mapping and will set out in detail the risk scenarios that are specific to the Company.

Vilmorin & Cie's other risks, which are less critical* and are not described in these pages, are managed according to the same global risk management process as detailed in this section.

Assessment of the residual risk					
		Residual criticality*	Residual impact (the most critical criterion adopted)	Likelihood (within 5 years)	Risks concerned by the Russia-Ukraine conflict
INFORMATION TECHNOLOGY RISKS	Risks related to cybersecurity 	MAJOR	CRITICAL FINANCIAL IMPACT	HIGHLY PROBABLE	X
GEOPOLITICAL AND ECONOMIC RISKS	Risks related to a change in the economic or geopolitical environment	MAJOR	SIGNIFICANT IMPACT ON BUSINESS CONTINUITY	HIGHLY PROBABLE	X
IMAGE AND REPUTATION RISKS	Risks related to reputation or image 	MAJOR	SIGNIFICANT IMPACT ON REPUTATION	HIGHLY PROBABLE	X
OPERATIONAL RISKS	Risks related to product quality 	MAJOR	CRITICAL FINANCIAL IMPACT	RARE	
	Risks related to the procurement and purchase of key services and supplies 	MAJOR	CRITICAL IMPACT ON BUSINESS CONTINUITY	RARE	X
	Risks related to agronomic production	HIGH	MODERATE FINANCIAL IMPACT	HIGHLY PROBABLE	X
SOCIAL AND SOCIETAL RISKS	Risks related to the health/safety of persons and the safety of property 	MAJOR	CRITICAL HUMAN AND FINANCIAL IMPACTS	PROBABLE	
	Risks related to the security of persons and property 	MAJOR	CRITICAL HUMAN IMPACT	RARE	X
FINANCIAL RISKS	Risks related to exchange rates	HIGH	SIGNIFICANT FINANCIAL IMPACT	PROBABLE	X
RISKS RELATED TO INNOVATION	Risks related to intellectual property 	HIGH	MODERATE FINANCIAL IMPACT	HIGHLY PROBABLE	
	Risks related to research	HIGH	SIGNIFICANT FINANCIAL IMPACT	RARE	

The pictogram  identifies the risks that include non-financial stakes (also described in Chapter 5 "Corporate Social Responsibility and Non-Financial Performance").

2.2.1. INFORMATION TECHNOLOGY RISKS

2.2.1.1. RISKS RELATED TO CYBERSECURITY

IDENTIFICATION OF THE RISK

Information systems (IS) are an essential support for the management and development of Vilmorin & Cie's activities in an international and decentralized environment. The various processes, whether administrative, industrial, commercial or research, are based on various complex and interconnected IT architectures. In this context, Vilmorin & Cie believes that the main risks to information systems are related to cybersecurity. Indeed, any attack on the availability, integrity, confidentiality or traceability of information systems and data, whether malicious, accidental or technical, could have an immediate negative impact on Vilmorin & Cie's activities, reputation and results. Like any other company, Vilmorin & Cie could be the target of IT attacks whose impacts on its activities are assessed as being critical.

The number of cyber attacks continues to grow and can be explained by the constant improvement of malware capabilities. The perpetrators have been able to capitalize on a multitude of opportunities offered by the widespread use of digital technology, and numerous zero-day vulnerabilities were discovered and exploited in the past year. Most of the targeted victims are medium-sized companies and the agricultural sector has not been spared.

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* (critical impact and highly probable likelihood)

SOURCES OF THE RISK

Cybercriminals, for financial, strategic or ideological reasons, could carry out IT attacks, targeted or not, against Vilmorin & Cie or one of its Business Units.

These IT attacks could take several forms: data exfiltration, intrusion into IT systems, denial-of-service. These attacks could be carried out for the purposes of sabotage, espionage or fraud.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.
- Impact on business continuity and operations.
- Impact on image and reputation.
- Impact on compliance with laws and regulations.

MANAGING THE RISK

Well-aware of the importance of IS-related risks, Vilmorin & Cie has set up a specific governance system based on a cross-functional organization. In particular, the Company has adopted an IT project management method, integrating its specific operating features and requirements. During fiscal year 2021-2022, several actions dedicated to improving Vilmorin & Cie's cybersecurity were carried out:

- coordination of the network of cybersecurity representatives in the Business Units,
- preparation for crisis management of cyber origin with the drafting of procedures and organization of an exercise at the level of the group's Top Management,
- deployment of an ambitious group-wide awareness-raising program targeting Board Members, Top Executives, business and IT employees, using various means such as face-to-face training, e-learning, quizzes, phishing exercises, etc.,
- generalization of the "security by design" process, and verification of the compliance of IT requests and projects,
- construction of a Security Operation Center to improve security incident detection capabilities and devices,
- various technical measures.

Improvements in cybersecurity will continue in the coming year, with work focused primarily on the ability to react and restore in the event of a cyber crisis. Business continuity management and IS backup and recovery capabilities will be developed.

Cybersecurity challenges are also presented in paragraph 5.4.6.1., on page 164.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

The current international tensions due to Russia's invasion of Ukraine are coupled with impacts in cyberspace. While the fighting in Ukraine is primarily conventional, authorities are seeing the use of cyber attacks as part of the conflict. In a digital space that knows no borders, these cyber attacks can affect international businesses such as Vilmorin & Cie, either by direct targeting or as a collateral victim.

From the start of the conflict, cybersecurity measures have been deployed to mitigate the risk and ensure business continuity:

- setting up a specific IT crisis unit to coordinate actions,
- regular analysis of the evolution of the threat,
- adaptation of network accesses,
- shutdown and relocation of servers,
- supervision of vulnerabilities and strengthening of updates for certain exposed systems,
- raising employee awareness.

2.2.2. GEOPOLITICAL AND ECONOMIC RISKS

2.2.2.1. RISKS RELATED TO A CHANGE IN THE ECONOMIC OR GEOPOLITICAL ENVIRONMENT

IDENTIFICATION OF THE RISK

Vilmorin & Cie has sales in almost 150 countries, about three quarters of which are in mature and stable zones (Western Europe, North America, Australia, etc.). The Company operates in zones and countries where economic or geopolitical disturbances may occur.

The marketing of seeds, which is subject to specific regulations and directly linked to the issue of food resources, can have a strategic aspect locally, and represent a significant part of the economy of the geographical area concerned. Local authorities may decide to implement restrictive policies and regulations for a foreign investor, particularly in the context of an economic crisis: foreign exchange controls, protection of intellectual property rights, restrictions on the ownership of foreign companies, local indebtedness, repatriation of flows and invested capital, partial or total obligation to produce locally, nationalization of agriculture, etc.

Elements of instability disrupting the functioning of a state (war, revolution, major social conflicts, pandemic, deep economic crisis) or affecting the financial situation of agriculture and farmers (devaluation, drying up of farmers' funding, major climate disturbances, whether exceptional or long-lasting, etc.) could temporarily compromise Vilmorin & Cie's capacity to pursue its sales, production and research activities in a given region.

The Covid-19 health crisis led to an assessment in the previous fiscal year of the likelihood of risks related to a change in the economic or geopolitical environment as highly probable, with a potential impact on the business. Although the Russia-Ukraine conflict has not changed this assessment, in terms of both criticality* and residual impact, it is a factor likely to increase the threat of global instability and disrupt the Company's activities.

At this stage, the potential financial impact of this risk remains limited for the group.

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* a significant residual impact and highly probable likelihood)

SOURCES OF THE RISK

In one or several countries where Vilmorin & Cie is established, the risk is that of a major economic or geopolitical disruption affecting the situation of agriculture and the farmers with whom the Company operates. In particular, the scenarios are as follows:

- major deterioration of the local economic situation (financial crisis, devaluation, higher costs or drying up of farmers' funding),
- political instability (war, revolution, major social conflicts, nationalization of agriculture),
- implementation of exchange control policies or the equivalent,
- constraints in international trading policies (fluctuating or misunderstood, for example with regard to which varieties can be imported) or regulations related to biotechnology* or to seed treatment,
- major health crisis.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial and fiscal consequences.
- Impact on business continuity.
- Human consequences.
- Impact on image and reputation.
- Legal consequences.

MANAGING THE RISK

Vilmorin & Cie cannot affirm that its results would not be affected by an upheaval in the economic, competitive, political or regulatory conditions, or by a crisis in certain countries in which it is present.

To anticipate these possible upheavals, Vilmorin & Cie has chosen international development, with operations across all continents, which allows it to limit the risk of concentration and to face competition thanks to this geographical diversification. Vilmorin & Cie generated 57% of its 2021-2022 sales in Europe, 25% in the Americas, 8% in Asia/Oceania and 10% in Africa/Middle East.

In addition, the segmentation of its activities allows Vilmorin & Cie to balance its presence in the various markets: in 2021-2022, Vilmorin & Cie generated 45% of its sales in Vegetable Seeds and 52% in Field Seeds.

Moreover, potential risks in a country are considered when choosing investments and locating industrial, scientific and commercial assets: trade facilitation and the movement of goods, political stability, intellectual property protection, etc.

Vilmorin & Cie's strategic intelligence and crisis management system, which it has set up in recent years, also makes it possible to anticipate and manage the impacts of risks related to the economic and geopolitical environment of its activities. In addition, the Governance, Risk and Compliance Department is regularly mandated to carry out specific threat/opportunity analyses on strategic and geopolitical issues, making it possible to provide a cross-functional perspective and decision-making support for the General Management.

Furthermore, the Development and Strategic Studies Department is responsible for building, with the General Management and the Operational Managers, a forward-looking vision and exploring new themes to support Vilmorin & Cie's growth, in terms of activities and products. To this end, it also analyzes market trends (monitoring the evolution of competitors' strategies and detecting possible weak signals of threats and opportunities).

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

The Russia-Ukraine conflict has considerably complicated the geopolitical and economic environment, both in Eastern Europe and on a global scale, with numerous consequences for Vilmorin & Cie, notably:

- a threat to the safety and physical integrity of its 110 Ukrainian employees and their families: through its subsidiaries, the Company has maintained permanent contact with them and has provided assistance to families wishing to leave Ukraine so that they can be hosted in neighboring countries. Health and welfare coverage measures, as well as an advance on salaries, have been deployed,
- the stopping of commercial and research activities in Ukraine, mainly in the zones where the conflict is most active: despite the many difficulties and risks involved, the local teams at Vilmorin & Cie have intensified their efforts to limit the effects of the stopping of activities and to secure, as far as possible, the Company's assets (administrative sites, research stations, seed storage warehouses),
- a limitation in the capacity of Ukrainian customer farmers and vegetable growers to operate: in addition to a reduction in cultivated acreage, due to the bombings, Vilmorin & Cie's customers have been confronted with a lack of liquidity and difficulties in accessing funding. Although past orders were not affected - Vilmorin & Cie already had a commercial policy in the zone that included payment cover, such as prepayments, bills of credit or Coface checks - these difficulties may have led to certain orders being postponed,
- major logistical problems, both in Ukraine and in Russia, for the delivery of seed orders: whether by sea or by land, the delivery of seeds is becoming increasingly long and costly, due to the difficulty of finding carriers and insurance cover,
- strong uncertainties about the financial impact of the conflict, due to significant fluctuations in Russian and Ukrainian currencies (see *Foreign Exchange Risks*),
- a position as a global seed company, an essential player in agricultural production and the food chain, leading Vilmorin & Cie to choose to maintain its activities in Russia so as not to compromise world food production to any great extent. The Company has nevertheless suspended its project to build a seed factory in Russia. Furthermore, Vilmorin & Cie is closely monitoring the evolution of the situation in this country, in order to continue to secure its operations and the related financial flows, in strict compliance with regulations in force, international sanctions and compliance rules.

RISK FACTORS

2.2. THE MAIN RISK FACTORS

2.2.3. IMAGE AND REPUTATION RISKS

2.2.3.1. RISKS RELATED TO REPUTATION OR IMAGE

IDENTIFICATION OF THE RISK

Through its business activities, Vilmorin & Cie is exposed to public attacks of all kinds and all origins, both in France and in other countries, whether well-founded or not, sincere or in bad faith, which might damage its image and reputation. Such events could have negative effects on Vilmorin & Cie's sales, income, image, attractiveness and development perspectives.

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* (significant residual impact and highly probable likelihood)

SOURCES OF THE RISK

Vilmorin & Cie could be targeted in national media with an impact on political decision-makers, influencers, its customers and Shareholders, its employees and more broadly the general public, or through a call for a boycott via social media, launched by a consumer association or an NGO that could go as far as demonstrations.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Impact on image and reputation.
- Impact on attractiveness.
- Financial consequences.

MANAGING THE RISK

In order to limit the proliferation and range of criticisms and attacks against the Company, along with their impacts, in liaison with its reference Shareholder Limagrain, Vilmorin & Cie has implemented measures to prevent this risk and be in a position to react in the case of a media crisis. The Communication and Institutional Affairs Department, which is more specifically in charge of crisis communication, has organized its approach around several action plans:

- the strengthening of relations with European, national, regional and local administrations, by presenting the group, its activities and its facilities, its challenges and risks. This preventative action means there is already greater comprehension and proximity in times of crisis, in situations where the intervention of these services is required,
- the development of regular communication with targeted media and the online community to facilitate their understanding of the group and initiate quality dialogue,
- awareness-raising and training of the group's Top Executives, communicators and spokespersons. Two crisis communication guides are made available to them and specific media-training is regularly scheduled as a preventive measure to prepare certain more sensitive topics and, in crisis situations, to prepare statements,
- the dissemination of a press procedure for Vilmorin & Cie's subsidiaries, to provide a framework for following and speaking to the media,
- the organization of a crisis communication unit at group level in charge of recommending the communication strategy and deploying the communication plan as soon as possible in times of crisis,
- conducting crisis management exercises.

Specific press and web monitoring, flexible and multi-lingual (social media, websites, blogs, the press, etc.), focused on the anticipation and identification of image risks, is also part of this system, so that the indicators and media coverage concerning Vilmorin & Cie and its brands can be monitored.

In addition, to support Vilmorin & Cie's employees, who are the primary vectors of the Company's image, and to guide them in their actions and behavior in the interest of integrity and ethics, tools and training are provided, the first line of which includes the group's Ethical Principles and Code of Conduct⁽¹⁾.

Communication actions, particularly to foster societal dialogue on seed issues, are presented in paragraph 5.2.4., on page 138.

(1) Information on the Ethical Principles and Code of Conduct is presented in detail in page 151, paragraph 5.3.3.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

From the start of the Russia-Ukraine conflict, Vilmorin & Cie decided to maintain its activities in Russia. This decision was taken in line with the international sanctions against this country, which do not concern seeds, the basis of all food production. Furthermore, international bodies have recalled Russia's essential role in world agricultural production and, consequently, in exchanges that guarantee the food sovereignty of many countries, particularly in Africa and the Middle East: Vilmorin & Cie therefore decided to continue the flows it had begun to make to Russian producers, so as not to compromise world food production to any great extent.

As part of its ongoing commitment to transparency, the Company explained this choice to all its stakeholders through various publications and communication channels throughout the second half of the year (press release, analyst and investor meetings, website, letter to shareholders).

In order to best manage the risks of damage to Vilmorin & Cie's reputation or image, a crisis unit, which meets regularly, enables the evolution of current events and external requests on this subject to be monitored.

The geopolitical situation remains highly unstable and its impact on the economy is not yet fully known. In an environment where visibility is very low, Vilmorin & Cie is following each evolution with the aim of continuing to secure its operations, particularly in Russia, as well as the related financial flows, in strict compliance with the regulations in force, international sanctions and compliance rules.

RISK FACTORS

2.2. THE MAIN RISK FACTORS

2.2.4. OPERATIONAL RISKS

2.2.4.1. RISKS RELATED TO PRODUCT QUALITY

IDENTIFICATION OF THE RISK

Once created and registered, seed varieties are produced in the fields. In order to produce its seeds (conventional or genetically modified field seeds, conventional vegetable seeds), Vilmorin & Cie makes use of a vast international network of seed multiplication farmers*. The production of seeds is presented in detail on page 53.

Vilmorin & Cie must respect its obligations with regard to legislation, to its contracts and to customer requirements.

Regulatory obligations exist in most countries; these concern in particular health⁽¹⁾, technology and seed purity aspects in order to guarantee the identity, specific purity and germinative faculty of seeds⁽²⁾.

Vilmorin & Cie has also set out internal requirements to reduce its exposure to risks of product non-conformities. Product non-conformities can have serious financial consequences, particularly because of the international context in which Vilmorin & Cie operates, and by the complexity of regulations which may vary from one country to another.

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* (critical residual impact and rare likelihood)

SOURCES OF THE RISK

Vilmorin & Cie's reputation, its financial results, and the market value of its products could be negatively affected in cases of:

- dissemination of regulated GMO* material to third party products, by physical mixing or contamination by pollen flows,
- biological contamination of seeds by fungi, bacteria, viruses, parasites or pests, resulting in phytosanitary problems.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.
- Impact on image and reputation.
- Legal consequences.

MANAGING THE RISK

Firstly, in order to control the quality of its seed production, Vilmorin & Cie secures, on the basis of contracts and detailed specifications, relations with its network of seed multiplication farmers*. These are rigorously selected in a vision of partnership in the medium to long term.

At the same time, Vilmorin & Cie has quality management systems deployed in its operating structures, in order to ensure the compliance of its conventional and GM* products for its activities of research, production and sales. In this respect, it should be noted that since the decision of the European Court of Justice of July 25, 2018, products resulting from new genome editing techniques are currently considered as GMOs* in Europe.

With regard more specifically to the GMO* quality management system, a document system (guidelines, procedures, control plans, etc.), supported by a documentary management tool, is deployed and transmitted to colleagues, in particular through internal training courses. GMO risk mapping* is also carried out by country and crop, and is updated every year, in order to assess the different levels of risk, determine priorities and update control plans as necessary.

Regular audits validate the system's implementation, the traceability of research processes, trials, production, processing and sales processes in order to limit the risks of incorrect mixes, seed non-conformity and mislabeling.

In order to guarantee the quality and the reliability of the marketed products, quality controls are carried out according to the crop and the country. These specific analytical controls are carried out by accredited laboratories, regularly tested and validated by the Product Quality Risks Management department in order to guarantee the reliability of the results. Overall, in 2021-2022, 54 employees from the Field Seeds and Vegetable Seeds divisions were trained on the guidelines and 24 audits were carried out (face-to-face or remotely) by the internal network of quality auditors.

Finally, since 2012, Vilmorin & Cie has been a member of the international ETS (Excellence Through Stewardship)⁽³⁾ program, in order to demonstrate, through external audits, its responsible management of GMOs* by implementing the requirements of the ETS quality management system throughout the life stages of GM* products: research, production, marketing, launch, distribution, crisis management and product stoppage. Vilmorin & Cie is audited once every three years by independent, external auditors on the implementation of this program. Vilmorin & Cie's ETS qualification was renewed in 2021, and further audits are planned for 2024.

The presence of pathogens in Vilmorin & Cie's seeds (mainly vegetable seeds) is also a risk that is managed in a coordinated fashion within the Vegetable Seeds division. To ensure that these risks are controlled, several actions have been set up, in particular inter-BU risk management, reinforced controls and monitoring of phytosanitary regulations, and the deployment of an internal standard and associated procedures to prevent the presence of certain viruses or bacteria (ToBRFV on tomatoes or the Acidovorax bacterium on cucurbits for example).

Actions carried out in terms of product quality are also presented in paragraph 5.2.5., on page 139.

(1) Sanitary quality is harmonized by the International Plant Protection Convention (IPPC): <https://www.ippc.int/fr/core-activities/governance/convention-text>.

(2) Seed quality controls are carried out in the laboratory, usually using the internationally harmonized procedures of the Organisation for Economic Co-operation and Development (OECD), following the guidelines of the International Seed Testing Association (ISTA - <https://www.seedtest.org/en/home.html>).

(3) Reference system created at the initiative of the international seed industry.

2.2.4.2. RISKS RELATED TO THE PROCUREMENT AND PURCHASE OF KEY SERVICES AND SUPPLIES

IDENTIFICATION OF THE RISK

Within the framework of its activities, Vilmorin & Cie works with numerous suppliers, subcontractors and service providers for its agronomic production operations, factory production, storage, transport and for its research & development activities. Certain services or supplies are of crucial importance for operations and could, in the event of failure, have an impact on the continuity of the activities and services of one or more of Vilmorin & Cie's Business Units. IT services in terms of network and infrastructure are among the supplies and services that have a potential impact on the group as a whole.

Furthermore, Vilmorin & Cie, like many companies in all sectors, is confronted with the risk of disruption to its supply chains. This phenomenon is nothing new, but it has become more widespread since the emergence of the Covid-19 health crisis. This risk could be aggravated by geopolitical instabilities or natural disasters.

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* (critical residual impact and rare likelihood)

SOURCES OF THE RISK

The sources of risk from dependency on a key provider or supplier are as follows:

- sole supplier,
- highly specific know-how, expertise or products,
- technological choice.

Failures may be related to interruptions in deliveries (disturbance of the supply chains), services or supplies, or to non-compliance with the contractual obligations of the supplier/service provide.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Impact on lead times for the delivery of goods/seeds.
- Impact on business continuity.
- Financial consequences.

MANAGING THE RISK

The Group Purchasing Coordination department, along with the Purchasing Orientation Committee (POC), made up of members of Vilmorin & Cie's Business Units, have defined the purchasing policy applicable in all Vilmorin & Cie's entities, and coordinate the management of risks related to the Company's purchases.

Some purchases are centralized and others, when they can be shared between several entities, are coordinated within the Group Purchasing Coordination network or decentralized within Business Unit Purchasing teams when the need is specific to the Business Unit.

Vilmorin & Cie has implemented a responsible purchasing policy and carried out numerous projects to improve its efficiency and risk management:

- creation of the Information Technology Purchasing function to support the centralized Information Systems Department,
- internationalization of the group's purchases,
- improvement of organizational performance through the creation and monitoring of purchasing performance indicators and the digitalization of the purchasing process,
- formalization of group Purchasing guidelines, recommending double sourcing for the selection of key suppliers or service providers,
- quality process for supplier selection (certifications, audits, continuity plan, specifications).

On the strength of these advances, there is an ongoing action plan being deployed to:

- strengthen the structure of the Purchasing function in the Business Units,
- pursue deployment of the Purchasing guidelines in the Business Units and the development of international contracts,
- pursue digitalization of Purchasing, a source of efficiency,
- reduce Vilmorin & Cie's environmental impact in all regions, by selecting the suppliers who are the most advanced in their CSR policy,
- develop tools to improve the management of supplier risks (financial analysis, risk analysis, quality/CSR assessment, selection criteria including CSR),
- optimize payment lead times and ensure their application.

The continuing Covid-19 health crisis and the global economic recovery continue to disrupt the supply chain, particularly transport and logistics providers, as well as the energy market, resulting in additional costs and/or longer lead times.

Moreover, the Covid-19 health crisis and regulatory restrictions in terms of the movement of persons have led Vilmorin & Cie to introduce teleworking for a large number of its employees. In this context, IT services, whether in terms of network, remote working tools or infrastructures, are playing an even more important role in the continuity of Vilmorin & Cie's activities. Vilmorin & Cie's IT services, grouped together cross-functionally, are at the forefront to ensure security, service continuity and the management of IT service providers in liaison with the Group Purchasing Coordination department.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

Geopolitical instabilities disrupting world trade were already identified in the analysis of risks related to procurement and the purchase of key services or supplies.

Without changing the criticality* of the risk, the Russia-Ukraine conflict has added to the already existing disruptions in the supply chain. In the same way as the continuing Covid-19 health crisis and the global economic recovery, the Russia-Ukraine conflict has had an impact on transport and logistics providers, but also on the energy market, leading to additional costs and/or longer lead times.

Finally, the volatility of energy prices is not considered likely to have had a significant impact on Vilmorin & Cie's business and performances on June 30, 2022.

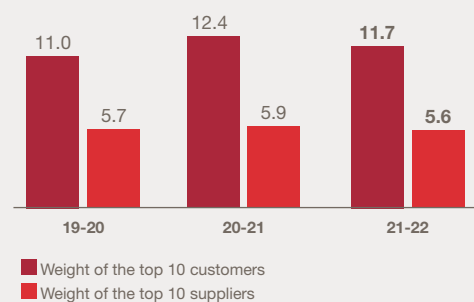
Important contracts outside the normal course of business

Vilmorin & Cie runs all its business activities through a large number of suppliers and a diversified clientele. Within the framework of its activities, Vilmorin & Cie uses specific technologies formalized by pluriannual contracts.

With the exception of these pluriannual contracts there is no other important contract outside the normal course of business that is liable to have a significant and recurring impact on its financial profile.

Comparative evolution of the weight of the main customers and suppliers

(as a % of consolidated sales)



2.2.4.3. RISKS RELATED TO AGRONOMIC PRODUCTION

IDENTIFICATION OF THE RISK

Vilmorin & Cie's activities are highly seasonal, and sensitive to climate risks and procurement hazards. Whether the reasons are climate-related, technical, geopolitical, contractual, etc., the consequences of risks related to agronomic production, and therefore to seed procurement, may have a strong impact on Vilmorin & Cie.

In this respect, fiscal year 2021-2022 was marked by climatic events, in particular heavy flooding in North America at sowing time. The Russia-Ukraine conflict has also had an impact on cultivated acreages in Ukraine.

Assessment of the residual risk for Vilmorin & Cie: strong residual criticality* (moderate residual impact and highly likely likelihood)

SOURCES OF THE RISKS

- Climatic events.
- Geopolitical context.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.
- Impact on image and reputation.

MANAGING THE RISK

The production plan⁽¹⁾ plays a major role in limiting risks related to procurement. As a vital aspect in the appropriate supply of markets, and also control over inventory levels, the production plan is set up with regard to different factors: market needs, harvest results, commercial lifespan of the variety, preservation quality of each seed lot, and also each production zone. Coordinated by the production managers, this plan is confirmed by the General Management in each company.

In terms of climate, weather and geopolitical risks, the varied international locations of production zones and research stations make it possible to share out and limit these local risks, and ensure regular high-quality seed production. As far as production is concerned, the highly seasonal nature of the business, the specific needs of the different crops, and variations in demand, all mean that diversified sites need to be established. These sites are either owned directly by the Company, by the network of seed multiplication farmers* or indeed by sub-contractors. There are about twenty production basins spread out over all the continents, both in the northern and southern hemispheres, to ensure this risk is under control.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

In Russia, the production plan for corn and sunflower basic seeds was not affected by the war with Ukraine.

In Ukraine, the production plan was cut back by 40% compared to the initial plan for corn. The loss of cultivated acreages for this crop is estimated at 20% (i.e. 1 million hectares) and between 30% and 35% for sunflower (i.e. approximately 2 million hectares). It should be noted that there is no local production of sunflower seed.

These decreases will have no impact on sales for the coming campaign: in fact, the cultivated acreages have been reallocated to other production zones, notably in Western Europe. In addition, the good year of production in Ukraine, combined with lower sales due to the war, led the group to record a larger than usual inventory at the end of the campaign.

(1) Depending on crops and varieties, the production plan is built up on the basis of sales forecasts for the following year. These forecasts are made with regard to inventories, customer opportunities and market trends. The function of the production plan is to define the crops and varieties to be produced, the places and quantities for production, depending on climate risks, production sites, earliness, average yields and producer capacities.

RISK FACTORS

2.2. THE MAIN RISK FACTORS

2.2.5. SOCIAL AND SOCIETAL RISKS

2.2.5.1. RISKS RELATED TO THE HEALTH/SAFETY OF PERSONS AND THE SAFETY OF PROPERTY

IDENTIFICATION OF THE RISK

Vilmorin & Cie has 7,254 permanent employees at more than 400 sites in 49 countries, working in various conditions and environments. The main risks concerning the health and safety of persons and the safety of property are:

- accidents occurring at a site leading to serious consequences for the personnel, the neighboring community, third parties, goods and the activity of the site,
- accidents of persons resulting in the death or serious injury of an employee, a service-provider, a sub-contractor or a visitor, occurring because of, or at the time of work, whatever the cause,
- occupational diseases related to chemical exposure,
- the risks of contamination during a pandemic, with consequences for the health of employees and for business continuity.

Assessment of the residual risks for Vilmorin & Cie: major residual criticality* (critical residual contact and probable likelihood)

SOURCES OF THE RISK

Main risk factors are as follows:

- risks of industrial accidents (fire, explosion, flood, earthquake),
- risks related to manual and mechanical handling,
- risks related to the working environment (slip, trip and fall accidents),
- risks related to mechanical equipment and work tools,
- risks related to road traffic (commuting or business trip accidents),
- risks related to exposure to chemical agents,
- risks related to exposure to biological agents (Covid-19 virus),
- electrical risks.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Human consequences.
- Financial consequences.
- Impact on business continuity.
- Impact on image and reputations.
- Legal consequences.

MANAGING THE RISK

Vilmorin & Cie places the safety of its employees and activities at the top of its priorities.

Vilmorin & Cie's frequency rate of workplace accidents with and without stoppage (FR2) – over a 12-month sliding period – stood at 17.50 accidents per million hours worked in August 2016. At the end of December 2021, it stood at 6.71 accidents per million hours worked. The objective set by Vilmorin & Cie in 2019 to reduce its FR2 to less than 5 accidents per million hours worked by the end of 2021 was therefore not achieved. On June 30, 2022, Vilmorin & Cie's FR2 stood at 6.53 accidents per million hours worked⁽¹⁾ – it should be noted that during fiscal year 2021-2022, the Company suffered the death of a commercial employee in Bulgaria in a road accident.

Vilmorin & Cie has set itself the new objective of reducing its FR2 to 4 accidents per million hours worked by the end of December 2026. To achieve this, a prevention program focused on developing and harmonizing a safety culture, strengthening the managerial approach to safety and professionalizing practices is being deployed.

Since 2018, the group has been defining new, more demanding standards to improve the level of control of its most critical risks, particularly chemical risks, and deploying them by training on-site managers and safety coordinators.

The safety policy is also presented in paragraph 5.3.2.1., on page 142, along with the actions undertaken in favor of the health of employees.

With regard to the safety of property, in 2018 Vilmorin & Cie committed to a five-year prevention and protection plan for all its sites, in order to reduce both the frequency and impact of events such as fires, explosions, natural disasters and theft.

This plan includes:

- a prevention component including in particular the improvement of procedures, intervention plans, means of detection and the development of a risk culture at each site (supervision of work by hot spots, storage rules, fire detection, automatic gas shutdown, business continuity plans, etc.),
- a protection component with significant investments dedicated to the installation of automatic sprinkler⁽²⁾ systems and the reinforcement of explosion protection equipment.

This plan has already led to a significant improvement in the criticality of these risks.

These safety programs are managed by Vilmorin & Cie's Corporate Services in conjunction with the Business Units through regular meetings both at operational level and at the management levels. In addition, guidelines have been issued and training courses are being offered to support this effort.

Finally, the Covid-19 epidemic is now integrated into the daily management of human resources in the different Business Units.

The regulatory requirements and other health protocols published by governments and health agencies continue to be rigorously implemented on Vilmorin & Cie's sites. Teleworking is now institutionalized or favored when possible, and the production processes in the factory or in the field have been adapted to guarantee the safety of all, while ensuring the continuity of operations.

(1) Safety reporting concerns all employees who have a direct employment contract (permanent or fixed-term contract, seasonal contract, training contract, apprenticeship contract) with Vilmorin & Cie's subsidiaries in which the Group holds more than 50% of their capital stock. Temporary workers and service providers are therefore excluded from this reporting.

(2) Sprinklers are fitted for automatic water extinction of fires.

2.2.5.2. RISKS RELATED TO THE SECURITY OF PERSONS AND PROPERTY

IDENTIFICATION OF THE RISK

Vilmorin & Cie is exposed to risks of harm to persons, especially because of its international scope. A significant proportion of its employees (expatriates, local staff, or on business trips), are exposed to a variety of risks in different countries (acts of terrorism, armed conflicts, riots, criminal activity or natural catastrophes).

The risks monitored are related to one-off, local events that can affect the travel and local living conditions of Vilmorin & Cie's employees, and have a critical impact on their physical and moral health.

Vilmorin & Cie is also exposed to other security risks such as malicious attacks on its property (production plant, inventory, products from its research, etc.), which nevertheless have a weaker residual criticality*. While thefts of belongings (simple thefts, burglaries, etc.) constitute the main part of these risks, the theft of so-called «sensitive» data or information (economic or corporate espionage) constitutes a significant threat because the impacts can be significant. Malicious actions against the group continue to represent a high risk in terms of image but also in terms of potential financial loss (particularly in the event of the destruction of test plots).

Assessment of the residual risk for Vilmorin & Cie: major residual criticality* (critical residual impact and rare likelihood)

SOURCES OF THE RISK

Risk factors for scenarios of physical injury or loss of employees are as follows:

- risks related to countries where the group operates (geopolitical event, social context, insecurity, terrorism),
- behavior during business trips,
- major accidental event (disappearance following a natural disaster).

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Human consequences.
- Impact on image and reputation.
- Operational consequences.
- Financial consequences.

MANAGING THE RISK

- Vilmorin & Cie has set up a tracking and alert procedure for risk countries in order to limit employee exposure. This daily tracking is supplemented by a registration system allowing the monitoring of employees on business trips as well as a real-time alert system for them when a risk arises in the region where they are travelling or working. In terms of destination, the Company also provides a detailed risk framework for business trips. Finally, rapid repatriation solutions are in operation.

This organization has been completed by crisis management procedures dealing with the nature of these risks.

Since 2017, Vilmorin & Cie has been listed as a partner company by the Crisis and Support Center of the French Ministry for Europe and Foreign Affairs and participates in the annual meetings held for the security of French companies abroad.

- With regard to the risk of damage to property, Vilmorin & Cie is constantly strengthening the protection measures at its sites and, more generally, its security and crisis management policy. The Group Safety and Security Department centralizes intelligence and reinforces links with the various departments concerned (Information Systems Security, Human Resources, Business Units, etc.), and responds to ad hoc requests for training or information related to security. Two manuals (the first dealing with security within the Company in general, and the second dealing specifically with security during business trips) have been written and made available online to all employees. These two documents have been supplemented by a new manual on the physical protection of sites and infrastructure (drafted and posted online for use by site managers and directors and a guide to preventing fraud and financial abuse (posted online for Business Unit Finance Managers). In the area of prevention of actions by the group's opponents, this department also supervises certain Vilmorin & Cie events that may be targeted.

All these actions are coordinated by a Safety/Security/Data/Archives/Crisis Manager and are described in paragraph 5.3.2.1., on page 142.

IMPACTS OF THE RUSSIA-UKRAINE CONFLICT

The Russia-Ukraine conflict has led to significant concerns about the safety of people and property.

As soon as the conflict began, a crisis unit was activated to ensure, as a priority, the safety and integrity of the personnel on site. Through its subsidiaries, Vilmorin & Cie has maintained permanent contact with the 110 employees present in Ukraine, and ensured local management of events. Close monitoring and assistance measures for the employees have thus been coordinated locally by the Business Units. The Company is maintaining its vigilance with regard to the evolution of events.

Although the Business Units do not have production sites in Ukraine, local teams have made every effort to secure and preserve, as far as possible, the assets present in the country (notably administrative sites and research stations).

2.2.6. FINANCIAL RISKS

2.2.6.1. RISKS RELATED TO EXCHANGE RATES

IDENTIFICATION OF THE RISK

As a consequence of its activity and international presence, Vilmorin & Cie is exposed to variations in the exchange rates of currencies in the conduct of its business, both in the conversion of flows generated by operations in foreign currencies, and in the conversion of accounts in local currencies of companies abroad.

Just like the Covid-19 health crisis, the Russia-Ukraine conflict and its inflationary consequences have confirmed the importance, for Vilmorin & Cie, of considering exchange rate risk as a significant risk factor, in an environment of high currency fluctuation. Volatility did increase during fiscal year 2021-2022, in particular with regard to the ruble - whose closing price was at a historically low level after a peak in devaluation in March - and the Turkish lira - which depreciated sharply against the euro, at a time when Turkey was in a situation of hyperinflation at the end of the fiscal year.

Over fiscal year 2021-2022, currency trends were positive overall, with approximately 18 million euros in gains on sales – thanks to the appreciation of the US dollar and the Brazilian real, which offset the devaluation of the Turkish lira – despite the evolution of operating expenses incurred in these same currencies.

Foreign exchange losses were down sharply at June 30, 2022 to 2.6 million euros, mainly due to the sharp depreciation of the Turkish lira, and benefited in particular from a better appreciation of the Russian currency at the end of the fiscal year, while restatements related to hyperinflation had a very slightly positive impact of 0.1 million euros.

As things turned out, on June 30, 2022, despite significant volatility and unpredictability, Vilmorin & Cie's exchange rate risk did not increase.

Assessment of the residual risk for Vilmorin & Cie: high residual criticality* (significant residual impact and probable likelihood)

SOURCE OF THE RISK

- Currency fluctuation.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.

MANAGING THE RISK

Bearing in mind the size of Vilmorin & Cie and its international dimension, procedures have been set up in order to better identify these exchange risks and control them.

Thus, on behalf of Vilmorin & Cie, the Group Finance Department manages foreign exchange risks by means of an intra-group exchange rate pooling procedure and hedging strategies at group level. Vilmorin & Cie manages fourteen currencies as part of this intra-group pooling procedure, the main currencies of which are the US dollar, the British pound and the yen.

Furthermore, as far as possible Vilmorin & Cie records operating expenses locally in the currencies for which its sales are exposed.

The hedging methodology and the values involved are described in Note 32, section 2.1 "Information regarding currency exchange risks" in the "Notes to the consolidated financial statements" included in this Annual Report; an analysis of sensitivity to currency risks after management is described in section 2.1.5. "Information on risk exposure to instruments set up to hedge currency exchange" in the "Notes to the consolidated financial statements".

IMPACT OF THE RUSSIA-UKRAINE CONFLICT

Repatriation of ruble-denominated flows has become significantly more complex with the introduction of European Union sanctions against Russia, leading to increased compliance issues and the virtual impossibility of finding forward hedging instruments on the markets, as was possible before.

Nevertheless, Vilmorin & Cie still has the possibility of carrying out transactions by private agreement with one of its banking partners.

2.2.7. RISKS RELATED TO INNOVATION

2.2.7.1. RISKS RELATED TO INTELLECTUAL PROPERTY

IDENTIFICATION OF THE RISK

The intellectual property rights held by Vilmorin & Cie, including plant varieties and the protection of technological innovations, constitute part of Vilmorin & Cie's strategic assets, requiring special precautions.

The questioning of the validity of intellectual property documents and the rights attached to them, as well as the use by unauthorized third parties of assets, products or processes protected by intellectual property rights, constitute a significant risk for Vilmorin & Cie.

Moreover, Vilmorin & Cie's activity requires access to genetic resources* in order to develop new varieties adapted to the needs of farmers and growers throughout the world. In this respect, and due to complex national regulations related to the implementation by countries of the Convention on Biological Diversity (CBD), Vilmorin & Cie is particularly exposed to the risk of using a genetic resource* in contravention of local regulations.

Assessment of the residual risk for Vilmorin & Cie: strong residual criticality* (moderate residual impact and highly probable likelihood)

SOURCES OF THE RISKS

Vilmorin & Cie's intellectual property risks are related to:

- access to genetic variability becoming restricted,
- protections that are being strengthened in this domain, meaning more and more intellectual property analyses are necessary with regard to the freedom to operate on materials and technologies,
- counterfeiting of its assets, products and processes.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.
- Legal consequences.
- Impact on image and reputation.

MANAGING THE RISK

Vilmorin & Cie has experts from the Legal Affairs and Scientific Affairs and Innovation departments who work very closely together on intellectual property issues. Supported by a solid legal framework and a network of experts on the subject of intellectual property, Vilmorin & Cie uses numerous tools to protect its rights and innovations.

In order to implement and deploy the group's intellectual property policies in the operational entities, industrial property committees and a network of industrial property correspondents have been set up in Vilmorin & Cie's Business Units.

Obligations relating to confidentiality and the protection of the group's intellectual property are included in employment contracts and contracts with partners. Moreover, one of the clauses in the Ethical Principles and Code of Conduct states that each employee must maintain confidentiality with regard to Vilmorin & Cie's research work and intellectual property, which is essential for the Company's sustainability and development.

Moreover, control procedures are strengthened every year to ensure the traceability of the genetic material used. This process is based on written collection procedures laid down for this purpose, and on the training of employees at Vilmorin & Cie and its subsidiaries on this subject.

The stakes related to the protection of plant breeding* are presented in paragraph 5.2.3.1., on page 136.

2.2.7.2. RISKS RELATED TO RESEARCH

IDENTIFICATION OF THE RISK

Research and innovation activities are a key element of Vilmorin & Cie's strategy. In order to develop the seed varieties of tomorrow and thus ensure its future growth, Vilmorin & Cie constantly invests in research & development projects.

For fiscal year 2021-2022, these investments represented 16.2% of its sales from seeds for professional markets⁽¹⁾.

Vilmorin & Cie's competitiveness could be affected in cases of:

- a mismatch between the research projects launched and future market needs, bearing in mind the long duration of research cycles (7 to 10 years to create a new seed variety; 10 to 15 years to develop a new trait*),
- an imbalance between the distribution of investments granted to different research & development projects, the targets being insufficiently diversified, or markets being targeted with no potential growth or inappropriate timelines,
- late identification of emerging technologies that might have an impact on seed improvement processes,
- the launch of a breakthrough innovation by a competitor in varietal research, technology or, more broadly, a business model which would expose Vilmorin & Cie to the loss of a competitive advantage in one of its business segments.

Assessment of the residual risk for Vilmorin & Cie: high residual criticality (significant residual impact and rare likelihood)

SOURCES OF THE RISK

- Malfunctioning in the decision-making process,
- Non-identification of new technologies,
- Poor appreciation of the potential impact of new technologies identified for Vilmorin & Cie's processes, products, business model and strategy,
- Poor appreciation in terms of resources or timing of the action plan to be implemented in order to exploit new technological opportunities, or faulty implementation of an adapted action plan.

POTENTIAL CONSEQUENCES FOR VILMORIN & CIE

- Financial consequences.
- Impact on image and reputation.

MANAGING THE RISK

Vilmorin & Cie strengthens its positions in the vegetable and field seeds markets by investing heavily and continuously in research & development, which enables it to launch several hundred new seed varieties per year.

In order to secure its investments in research & development, the Company has structured its system around several priorities.

On the one hand, constant monitoring of scientific, technological and competitive developments, and numerous international partnerships, both with academic players and world-renowned research institutes or start-ups, enable it to identify emerging trends and breakthroughs that Vilmorin & Cie and its environment will be confronted with tomorrow. The Research & Development strategy and the partnerships set up by Vilmorin & Cie are presented in detail as of page 59.

On the other hand, Vilmorin & Cie relies on Research Focus Committees for each activity and the management of project portfolios to assess research programs and make sure there is the right balance between project portfolios, market trends and the profitability of current programs.

(1) Integrating 50% of AgReliant's activities (North America. Field Seeds).

2.3 LITIGATION

The risk of litigation is identified in Vilmorin & Cie's complete risk map, but is not listed as one of the most critical risks in this map.

As they run their business, Vilmorin & Cie and its subsidiaries are sometimes required to deal with various kinds of litigation, particularly in relation to claims (debt recovery or product quality, for example), and intellectual property. These situations undergo a detailed risk analysis, resulting in the appropriate course of action to be taken in the Business Units concerned, in liaison with Vilmorin & Cie's Legal Affairs Department. Provisions are made on such litigations when appropriate. Information related to litigations is presented in Note 27 "Other current provisions" in the "Notes to the consolidated financial statements."

As at June 30, 2022, the Company did not identify any litigation that could significantly affect its financial position.

To the knowledge of the Company, there is no other administrative, judiciary or arbitration procedure in progress, or threatening to arise, concerning the past twelve months, that is liable to have, or indeed has had, any significant effects on the financial situation or profitability of the Group.

2.4. SHARED MEANS OF CONTROL FOR ALL RISKS

2.4.1. PROVISIONS FOR CRISIS MANAGEMENT

As part of its activities, Vilmorin & Cie may be confronted with crisis situations that may impact its reputation. Crisis management provisions have been in place for several years and are managed by the Governance, Risk and Compliance Department. They involve different functions in the company and are deployed in the Business Units. These provisions are based on dedicated tools, and in particular on the crisis management and communication rules distributed to all entities in the Vilmorin & Cie scope.

During fiscal year 2020-2021, several events justified the mobilization of the Company's crisis unit and the crisis units of the Business Units concerned, particularly in the management of the Russia-Ukraine conflict and its impacts.

2.4.2. INSURANCE

Vilmorin & Cie has a policy of global cover concerning different operating risks, and makes use of different insurance schemes available on the world market, depending on their availability and local regulations.

Insurance programs are negotiated and managed by Vilmorin & Cie for its subsidiaries with leading international or national insurance companies. These programs concern, in particular, risks of damage to property and operating losses, civil liability, damage to goods in transit and insurance for the automobile fleet.

For risks of damage to property, operating losses and civil liability, the cover is "all risks except" on the basis of the widest guarantees that exist on the market, combined with deductible that varies according to activity. 98% of Vilmorin & Cie's entities, representing 100% of consolidated sales, are covered by the group Civil Liability program with the widest possible guarantees. Most of Vilmorin & Cie's entities are covered by the Property Damage program, or by policies underwritten locally with reputable insurers. Compensation limits, fixed on the basis of worst-case scenarios and of capacities proposed by the insurance markets, stand at 300 million euros per claim for consequential and operating loss, and at 80 million euros per claim and per year for general public liability and product liability.

Insurance programs for special risks which are potentially significant and require centralized management, such as the responsibility of corporate officers, environmental risks, or cyber risks, are negotiated according to capacities available on the markets.

Management of these programs is entrusted to brokers and professional insurers under the supervision of Vilmorin & Cie. These programs were renewed on July 1, 2022, for another duration of one year.

Vilmorin & Cie is continuing to standardize its cover policy and deploy its insurance programs internationally.

3. REPORT ON CORPORATE GOVERNANCE

This chapter contains the constituent parts of the report on corporate governance drawn up pursuant to article L.225-37 of the French Commercial Code. This report was adopted by the Board of Directors at its meeting of October 12, 2022 and will be submitted for approval at the Annual General Meeting scheduled on December 9, 2022.

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3.1. CORPORATE GOVERNANCE CODE OF REFERENCE

As of fiscal year 2016-2017, Vilmorin & Cie has applied the Middelnext Corporate Governance Code, published in December 2009, and updated in September 2016, considering that it is adapted to the governance of the Company and the structure of its shareholding. This Code is available in French on the Middelnext website (www.middelnext.com).

The Middelnext Code was updated, with Vilmorin & Cie's participation, and was published in September 2021. Vilmorin & Cie endeavored to take this update into account in this annual report.

Vilmorin & Cie's Board of Directors, in accordance with the recommendation of the Middelnext Corporate Governance Code, took note of the points of vigilance in the Code at its meeting on March 1, 2022, and throughout the fiscal year has endeavored to ensure that they are taken into consideration.

Vilmorin & Cie's Board of Directors applies the various recommendations formulated to date by the Middelnext Corporate Governance Code, while respecting the specific characteristics of Vilmorin & Cie.

On June 30, 2022, Vilmorin & Cie identified the following points of divergence with this Code:

- **Establishment of a specialised CSR Committee:** this point will be considered in the context of the governance of the forthcoming CSR policy, about which communication is planned for October 2023 at the latest. However, two Board Members are already closely involved in the development of this CSR program. The operational organization of this subject is outlined in paragraph 5.1.2. of this document.
- **Work other than the certification of accounts entrusted to the Company's Statutory Auditor:** in accordance with the legal provisions in force, Vilmorin & Cie has chosen to entrust the mission of independent third party organization to the Company's Statutory Auditor.

- **Analysis of negative votes at the Annual General Meeting:** this Middelnext recommendation, whose scope remains limited for Vilmorin & Cie in view of its shareholding structure, is nevertheless considered in the context of relations with institutional and individual investors.

Informational meetings for investors (organized on the occasion of the disclosure of the interim and annual results), investor meetings, other meetings or shareholder forums (such as those Vilmorin & Cie joined in June 2022), as well as permanent exchanges with individual Shareholders (via the Consultative Committee for Shareholders, in particular), are all privileged moments of dialogue between the Company and its stakeholders. Among other things, they provide an opportunity to pay particular attention to the expectations of stakeholders, especially in terms of communication.

At the General Meeting of Shareholders of December 10, 2021, negative votes were, as usual, focused on the resolutions relating to the composition of the Board of Directors and the compensation policy for Directors and corporate officers, in very limited proportions (3.23% negative votes on average). At the Extraordinary General Meeting of Shareholders, the negative votes mainly concerned the resolutions relating to the delegation of authority to issue shares by public offer, again in limited proportions (5.60% negative votes on average). The twentieth resolution, relating to a capital increase reserved for employees within the framework of a company savings plan or a group savings plan, was rejected by 89.11% of votes cast. The Board of Directors had not previously submitted any voting recommendation for this resolution, as it considered that the legislative provisions surrounding the said resolution were not adapted to the specific situation of Vilmorin & Cie.

3.2. THE BOARD OF DIRECTORS

Vilmorin & Cie has always attached the greatest importance to the quality of its governance.

This governance is strongly marked by two particular aspects: the fact it is a seed company with the need for a long-term vision, and its parent company and reference Shareholder, the agricultural cooperative Limagrain.

In 1993, when Vilmorin & Cie was first listed on the French stock market, Limagrain made a commitment to encourage its development strategy, respecting the interests of minority Shareholders, another fundamental pillar in the Company's development.

3.2.1. COMPOSITION OF THE BOARD OF DIRECTORS AND MANDATES OF THE BOARD MEMBERS

COMPOSITION OF THE BOARD OF DIRECTORS ON JUNE 30, 2022

On June 30, 2022, Vilmorin & Cie's Board of Directors comprised seven members:

- the Chairman and CEO: Sébastien VIDAL,
- three Board Members representing the reference Shareholder Limagrain: Séverine DARSONVILLE, Éric GRELICHE and Pierre-Antoine RIGAUD,
- one Board Member representing Bpifrance Investissement: Benoist DE SAINT LAGER,
- two independent Board Members: Géraldine BÖRTLEIN and Marie-Yvonne CHARLEMAGNE.

The Board Members are appointed by the Annual General Meeting of Shareholders for a duration of three years, renewable. This term allows for a staggered renewal of the Board Members in accordance with the recommendations of the Middlednext Corporate Governance Code.



Sébastien VIDAL

Nationality: French — 46 years old

MAIN ACTIVITIES

Farmer,
Chairman of Limagrain

EXPERTISE AND EXPERIENCE

Member of the Limagrain Board since 2006, Sébastien VIDAL has exercised several mandates within the different divisions in the Group.

Today, he is Chairman of Limagrain.

Chairman and CEO

Terms of Office

Commencement: 2016

Renewal: 2020

Expiry: 2023

ONGOING MANDATES ON JUNE 30, 2022

Chairman of the Board:

Desprat & Saint Verry SAS (France), Société Coopérative Agricole Limagrain (France)

Chairman and CEO:

Groupe Limagrain Holding SA (France), Sélia SA (France), Tardif Tivagrain SA (France)

Board Member:

Groupe Limagrain Holding SA (France), Limagrain Co Ltd (Thailand), Sélia SA (France), Société Coopérative Agricole Limagrain (France) (Chairman), Tardif Tivagrain SA (France)

Member of the Management Committee:

Limagrain Cereal Seeds LLC (United States)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

2018-2019

Chairman and CEO:

Limagrain Europe SA (France), Sélia SA (France), Tardif Tivagrain SA (France)

Board Member:

Hazera Seeds Ltd (Israel), HM.CLAUSE INC. (United States) HM.CLAUSE SA (France), Limagrain Europe SA (France), Vilmorin SA (France)

2020-2021

Director of the Board :

AgriSynergy Proprietary Limited (South Africa)

2021-2022

Chairman of the Board:

Limagrain Brasil SA (Brazil), Limagrain Europe SAS (France)

Joint Manager:

Dôme 2000

Board Member:

Limagrain Brasil SA (Brazil)

Management Board Member:

Limagrain Europe SAS (France)

Member Representative:

AgReliant Genetics LLC (United States)



Géraldine BÖRTLEIN

Nationality: French — 54 years old

MAIN ACTIVITY

Joint Manager of Alcimed

EXPERTISE AND EXPERIENCE

Géraldine BÖRTLEIN graduated from Centrale Paris, with a specialization in bioengineering, and holds a PhD in biochemis-try-pharmacology.

In 1993, she co-founded Alcimed, a consultancy in innovation and the development of new markets. Since then, she has been co-managing the company, which now has 220 employees, and thus has nearly 30 years of experience in high-tech sectors.

She is also Vice President of the Association of Innovation Consultants.

Independent Board Member

Terms of Office

Commencement: 2021

Renewal: 2021

Expiry: 2024

ONGOING MANDATES ON JUNE 30, 2022

None

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

None



Marie-Yvonne CHARLEMAGNE

Nationality: French — 63 years old

MAIN ACTIVITY

Founder partner and manager
of the consultancy MYA Partners

EXPERTISE AND EXPÉRIENCE

Marie-Yvonne CHARLEMAGNE, a graduate of Audencia with a specialization in finance, and a chartered accountant, has more than 35 years of experience in several companies with an international dimension (PwC, Rougier).

She has mainly held positions in finance, in France and Africa. After joining the forestry group Rougier in 1999 as group Chief Financial Officer, she was appointed to the Executive Board and then to the Board of Directors and became Delegate CEO for the group in 2015. In April 2019, she created MYA Partners, a consultancy devoted to medium-sized companies investing in Africa.

Independent Board Member and Chairwoman of the Audit and Risk Management Committee

Terms of Office

Commencement: 2019

Expiry: 2022

ONGOING MANDATES ON JUNE 30, 2022

COMPANIES OUTSIDE LIMAGRAIN

Chairwoman:

MYA Partners SAS (France), APIS Solutions SAS (France)

Independent Board Member and Chairwoman of the Audit Committee:

GROUPE OKWIND (France) (appointment confirmed on July 26, 2022)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of Mandate)

None



Séverine DARSONVILLE

Nationality: French — 42 years old

MAIN ACTIVITY

Farmer

EXPERTISE AND EXPERIENCE

Member of the Limagrain Board since 2012, Séverine DARSONVILLE has exercised several mandates within the different divisions in Limagrain.

Today she is Chairwoman of Limagrain's Bakery Products activity.

She is also Chairwoman of Vegepolys Valley (representing Limagrain), a global competitiveness cluster for plants.

Finally, she represents La Coopération Agricole on the Governing Board of the HCCA (High Council for Agricultural Cooperation).

Board Member and member of the Audit and Risk Management Committee

Terms of Office

Commencement: 2020

Expiry: 2023

ONGOING MANDATES ON JUNE 30, 2022

Chairwoman and CEO:

Jacquet Brossard SA (France), Savane Brossard SA (France)

Board Member:

Groupe Limagrain Holding SA (France), Jacquet Brossard SA (France), Savane Brossard SA (France), Sélia SA (France), Société Coopérative Agricole Limagrain (France)

Management Board Member:

Limagrain Ingredients SAS (France), Vilmorin Jardin SAS (France)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

2017-2018

Board Member:

Limagrain Europe (France)

2019-2020

Management Board Member:

HM.CLAUSE SAS (France)

2020-2021

Management Board Member:

Vilmorin-Mikado SAS (France)

2021-2022

Board Member:

Hazera Seeds Ltd (Israel), HM.CLAUSE INC. (United States)

Management Board Member:

HM.CLAUSE SAS (France), Vilmorin-Mikado SAS (France)



Benoist DE SAINT LAGER

Nationality: French — 46 years old

MAIN ACTIVITY

Investment Director
at Bpifrance Investissement

EXPERTISE AND EXPERIENCE

A graduate of the École Supérieure de Commerce de Paris, Benoist DE SAINT LAGER has, since 2015, been Investment Director in the Large Cap team at Bpifrance Capital Développement.

He began his career as a consultant in mergers and acquisitions at Credit Suisse First Boston in Paris in 1999, before joining HSBC in 2001, then Close Brothers (now DC Advisory) in 2008.

Between 2015 and 2020, he followed Bpifrance's investment in Limagrain.

Board Member, representing Bpifrance Investissement

Terms of Office

Commencement: 2020

Expiry: 2023

ONGOING MANDATES ON JUNE 30, 2022

COMPANIES OUTSIDE LIMAGRAIN

Permanent representative of Bpifrance Investissement, member of the Supervisory Board:

ADE Holding (SAS, RCS Paris 824 504 534)

Permanent representative of Bpifrance Investissement, observer of the Supervisory Board:

Looping Cie (SAS, RCS Paris 878 712 512)

Permanent representative of Bpifrance Investissement, member of the Supervisory Board:

Société d'Assistance et Gestion du Stationnement (SAS, RCS Macon 389 337 817)

Permanent representative of Bpifrance Investissement, member of the Supervisory Board:

SODA (SAS, RCS Nanterre 894 268 929)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

None



Éric GRELICHE

Nationality: French — 48 years old

MAIN ACTIVITIES

Farmer and Vice Chairman
of Limagrain

EXPERTISE AND EXPERIENCE

Member of the Limagrain Board
since 2005, Éric GRELICHE has
exercised several mandates within
the different divisions in Limagrain.

He is currently Vice Chairman
of Limagrain and Chairman
of the Field Seeds division.

Board Member and member of the Audit
and Risk Management Committee

Terms of Office

Commencement: 2022

Expiry: 2023

ONGOING MANDATES ON JUNE 30, 2022

Chairman of the Board:

Limagrain Brasil SA (Brazil), Limagrain Europe SAS (France)

Board Member:

Groupe Limagrain Holding SA (France), Limagrain Brasil SA (Brazil),
Limagrain Cereal Seeds LLC (United States), Limagrain Co Ltd (Thailand),
Sélia SA (France), Société Coopérative Agricole Limagrain (France) (Vice Chairman),
Soltis (France) (Representing Limagrain Europe SAS)

Member of the Management Committee:

Limagrain Europe SAS (France)

Member Representative:

AgReliant Genetics LLC (United States)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

2017-2018

Board Member:

DLF France SAS (France), Hazera Seeds Ltd (Israel), HM.CLAUSE SA (France),
HM.CLAUSE INC. (United States), Movement for a world agricultural organization
(momagri) (France), Vilmorin SA (France)

2018-2019

Board Member:

Limagrain Europe SA

2020-2021

Board Member:

AgriSynergy Proprietary Limited (South Africa), Syndicat des producteurs
de semences de maïs et de sorgho des Limagnes et du Val d'Allier (France)
(Representing Coopérative Agricole Limagrain and First Vice Chairman)

2021-2022

Board Member:

Tardif Tivagrain SA (France)



Pierre-Antoine RIGAUD

Nationality: French — 34 years old

MAIN ACTIVITIES

Farmer, Vice Chairman of Limagrain

EXPERTISE AND EXPERIENCE

Member of the Limagrain Board since 2016, Pierre-Antoine RIGAUD has exercised several mandates within the different divisions in Limagrain.

He is currently Vice Chairman of Limagrain and Chairman of the Vegetable Seeds division.

Board Member and member of the Audit and Risk Management Committee

Terms of Office

Commencement: 2022

Expiry: 2024

ONGOING MANDATES ON JUNE 30, 2022

Chairman and Member of the Management Board:

HM.CLAUSE SAS (France), Vilmorin-Mikado SAS (France)

Member of the Board:

Groupe Limagrain Holding SA (France), Hazera Seeds Ltd (Israel), HM.CLAUSE INC. (United States), Sélia SA (France), Société Coopérative Agricole Limagrain (France) (Vice Chairman), Syndicat des producteurs de semences de maïs et de sorgho des Limagnes et du Val d'Allier (France) (Representing Coopérative Agricole Limagrain), Vilmorin-Mikado Co. Ltd (Japan)

Joint Manager:

Dôme 2000 (France)

Chairman of the Board of Officers:

HM.CLAUSE INC. (United States)

Chairman of the Board of Directors:

Hazera Seeds Ltd (Israel)

MANDATES EXERCISED OVER THE PAST FIVE YEARS AND EXPIRED

(End of mandate)

2019-2020

Member of the Management Board:

HM.CLAUSE SAS

2020-2021

Director of the Board of Directors:

Hazera Seeds Ltd (Israel), HM.CLAUSE INC. (United States)

Member of the Management Board:

HM.CLAUSE SAS (France), Vilmorin-Mikado SAS (France)

2021-2022

Vice Chairman:

Société Coopérative Agricole de la Vallée du Rhône Valgrain (France)

Member of the Board:

Jacquet Brossard SA (France)

Member of the Management Board:

Limagrain Ingredients SAS (France), Vilmorin Jardin SAS (France)

TABLE OF THE COMPOSITION OF THE BOARD OF DIRECTORS ON JUNE 30, 2022

	Nationality	Age	Independence ⁽¹⁾	Commence- ment of the mandate	Date of last renewal	Expiry of current mandate	Number of years on the Board	Attendance rate at Board Meetings	Audit and Risk Management Committee	Strategic Committee
Sébastien VIDAL Chairman of the Board	French	46	No	2016	2020	2023	6 years	100.00%		Chairman
Géraldine BÖRTLEIN	French	54	Yes	2021	2021	2024	1 year	100.00%		Member
Marie-Yvonne CHARLEMAGNE	French	63	Yes	2019	-	2022	3 years	100.00%	Chairwoman	Member
Séverine DARSONVILLE	French	42	No	2020	-	2023	1 year	80.00%	Member	
Benoist DE SAINT LAGER	French	46	No	2020	-	2023	1 year	100.00%		Member
Éric GRELICHE	French	48	No	2022	-	2023	-	100.00%	Member	Member
Pierre-Antoine RIGAUD	French	34	No	2022	-	2024	-	100.00%	Member	Member
Number of Meetings								5	4	1
Average attendance rate								97.14%	100.00%	100.00%

(1) Independence according to the criteria of the Mollenext Corporate Governance Code as interpreted by the Board of Directors at its meeting of June 29, 2022.

Vilmorin & Cie's Board of Directors does not include any Member representing employees, in accordance with the exemption provided for in article L.22-10-7 of the French Commercial Code; Groupe Limagrain Holding also fulfils this obligation.

For the purpose of their mandate, all Members of the Board can be contacted at the following address:

c/o Vilmorin & Cie - CS 20001 Saint Beauzire - F-63360 GERZAT

The Board of Directors attaches particular importance to its composition and that of its Committees. It ensures that the profiles of Board Members are complementary, particularly in terms of skills (agricultural expertise, accounting and financial knowledge, etc.). It also ensures that the Board maintains an independence rate appropriate to the Company's shareholding structure (cf. paragraph 3.2.3.), as well as a balanced representation of women and men on the Board.

INDEPENDENCE OF THE MEMBERS OF THE BOARD

Vilmorin & Cie's Board of Directors was extended in December 2007 to include an independent Board Member.

In accordance with the Mollenext Corporate Governance Code and as specified in the Internal Regulations of Vilmorin & Cie, the Company ensures that at least two members of the Board of Directors are independent Members and meet the following criteria:

- they have not been, within the last 5 years, an employee or corporate officer of the Company or a company in its group,
- they have not had, in the last 2 years, and do not currently have, a significant business relationship with the Company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.),

- they are not a reference Shareholder of the Company and do not hold a significant percentage of voting rights,
- they do not have a close relationship or close family tie with a corporate officer or a reference Shareholder,
- they have not been, during the course of the last 6 years, the Company's Statutory Auditor.

Marie-Yvonne CHARLEMAGNE and Géraldine BÖRTLEIN are thus considered as independent Board Members because they have no financial, contractual, family or significant proximity relationship with Vilmorin & Cie that could impair their independence of judgment.

At its meeting of June 29, 2022, Vilmorin & Cie's Board of Directors, verified that Marie-Yvonne CHARLEMAGNE and Géraldine BÖRTLEIN fulfilled these independence criteria.

BALANCED REPRESENTATION OF WOMEN AND MEN ON THE BOARD OF DIRECTORS

A mixed gender Board of Directors was initiated in fiscal year 2013-2014 through the successive appointment of two female Board Members.

On June 30, 2022, the presence of three women out of a total of seven Members on Vilmorin & Cie's Board of Directors, ensures women are represented above the threshold of 40%, in compliance with article L.22-10-3 of the French Commercial Code.

3.2.2. CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

CHANGES IN 2021-2022

On March 1, 2022, Éric GRELICHE was appointed Member of the Board, to replace Annick BRUNIER, for the remainder of the latter's term of office, i.e. until the end of the Annual General Meeting of Shareholders called to approve the financial statements for the fiscal year ending June 30, 2023.

On March 1, 2022, Pierre-Antoine RIGAUD was appointed Member of the Board, to replace Sébastien BRIFFOND, for the remainder of the latter's term of office, i.e. until the end of the Annual General Meeting of Shareholders called to approve the financial statements for the fiscal year ending June 30, 2024.

In compliance with legal provisions, the ratification of the mandates of Éric GRELICHE and Pierre-Antoine RIGAUD will be submitted to the Annual General Meeting of Shareholders to be held on December 9, 2022.

The Board of Directors acknowledged the resignations of Philippe BLATEYRON and Pascal VIGUIER and decided not to replace them.

CHANGES PLANNED IN 2022-2023⁽¹⁾

Since the term of office of Marie-Yvonne CHARLEMAGNE will be expiring, the Board of Directors will propose to the Annual General Meeting of Shareholders to be held on December 9, 2022 to renew the term of office of Marie-Yvonne CHARLEMAGNE as independent Board Member for a period of 3 years, i.e. until the end of the Annual General Meeting of Shareholders called to approve the financial statements for the fiscal year ending June 30, 2025.

In addition, Vilmorin & Cie's Board of Directors will review the composition of the Specialized Committees at the end of the Annual General Meeting of Shareholders of December 9, 2022.

3.2.3. PRESENTATION OF LIMAGRAIN AND THE SHAREHOLDING STRUCTURE

The majority of the Members on Vilmorin & Cie's Board are also Members of the Limagrain Board. As a result, they benefit from specialist experience in agriculture and agronomy, along with expertise in seeds.

As the parent company and reference Shareholder for the Company, Limagrain has always encouraged Vilmorin & Cie's development by providing regular and consistent investment support.

Founded and managed by French farmers, Limagrain develops vegetable seeds and field seeds – through Vilmorin & Cie – as well as agrifood products (ingredients and bakery products) – notably through the Jacquet and Brossard brands.

Limagrain is the guarantor of Vilmorin & Cie's long-term growth strategy.

Limagrain is structured around a holding company, Groupe Limagrain Holding (GLH), a joint stock company in which the Société Coopérative Agricole Limagrain is the majority shareholder, with 1,300 farmer members.

Reflecting its culture of open-mindedness and an unprecedented approach to its governance, in 2010 Limagrain opened up its capital stock and the governance of its holding GLH to the Strategic Investment Fund (SIF), now part of Bpifrance, in order to contribute to its development. With the same objective, the Crédit Agricole banking group acquired a stake in the capital stock of GLH in June 2013.

As of October 2020, Bpifrance Participations no longer holds a stake in GLH and acquired a stake in Vilmorin & Cie. By repositioning itself at the level of Vilmorin & Cie, Bpifrance confirmed its strategic commitment alongside Limagrain. This operation is the concrete expression of Bpifrance's desire to continue the partnership initiated more than ten years ago, in support of the deployment of Vilmorin & Cie's strategy.

Limagrain held 70.74% of Vilmorin & Cie's capital stock on June 30, 2022⁽²⁾. Limagrain is willing to consider lowering this rate depending on market opportunities, and with the objective of encouraging the development of Vilmorin & Cie.

Vilmorin & Cie's Board is accountable to its majority Shareholder in the same way it is accountable to all its other Shareholders, their common objectives and interests being to invest in a company that is both healthy and profitable with a long-term vision.

With majority representation on Vilmorin & Cie's Board, Limagrain is careful, through different decision-making processes required for its organization, management and governance, not to exert abusive control on strategic orientations and their operational applications. For this purpose, in 2010, Limagrain formally set up a Strategic Committee, for which there are no provisions in the by-laws, in which Vilmorin & Cie's independent Board Members participate; this Committee regularly analyzes the Company's strategic orientations in relation to the development projects and opportunities proposed by the General Management and the Executive Committee.

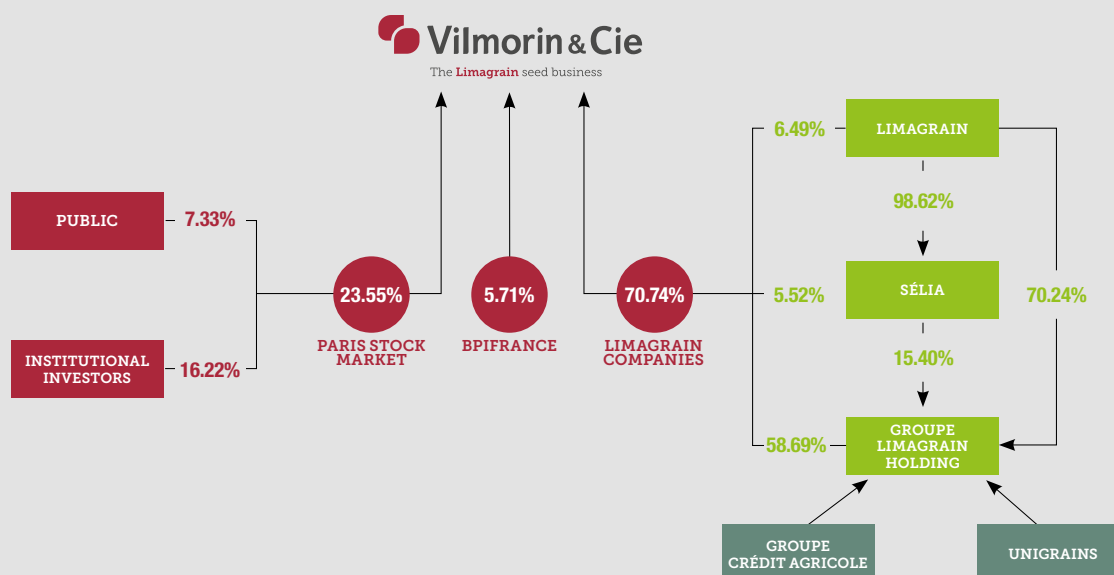
(1) Subject to the approval of the Annual General Meeting of December 9, 2022.

(2) With the exception of shares that benefit from the provisions laid down in the by-laws for double voting rights (registered and held for more than 4 years), Limagrain does not benefit from.

In addition, Limagrain has long structured its various activities into specialized, dedicated divisions, thereby committing itself not to invest in business that would compete with Vilmorin & Cie outside the scope of the latter.

Vilmorin & Cie directly owns most of the significant companies included in the consolidation scope of its financial statements.

Shareholding structure on June 30, 2022



3.2.4. INTERNAL REGULATIONS AND HOW THE BOARD OF DIRECTORS FUNCTIONS

3.2.4.1. INTERNAL REGULATIONS

In accordance with the recommendation of the Middelnext Corporate Governance Code, Vilmorin & Cie's Board of Directors has adopted a set of internal regulations, which specify, in particular, the principles governing the functioning of the Board of Directors, as well as the ethical obligations of its members, in particular as regards confidentiality. At its meeting of March 1, 2022, the Board of Directors strengthened the obligations to declare and manage conflicts of interest by including in the Internal Regulations a procedure for disclosing and monitoring conflicts of interest. At the end of this meeting, the Internal Regulations were signed by all members of the Board.

They are available in French on the Company's website, under Publications/Regulated Information/Insider Charters and Regulations, at the following address: <https://www.vilmorincie.com/fr/archives/publications/information-reglementee/statuts-et-chartes-d-inities/>⁽¹⁾.

3.2.4.2. TRAINING AND INFORMATION FOR THE BOARD MEMBERS

In addition to the individual and personalized training courses regularly attended by Vilmorin & Cie's Board Members, the Board of Directors holds an annual one-week seminar during which various topics directly related to the Company's development strategy are covered. During fiscal year 2021-2022, exchanges focused primarily on the EGalim 2 law, new forms of distribution, cybersecurity and cybercrime.

With regard to informing the members of the Board of Directors, it is specified in the Internal Regulations that all Board Members must of course have access to the same information.

The agenda for the Board of Directors' meetings is established by the Chairman. As stipulated in the Internal Regulations, it is sent to members in advance of each meeting and accompanied, as far as possible, by the necessary documents and information to enable them to prepare efficiently for the meetings. In addition, as stated in Vilmorin & Cie's Internal Regulations: "Board Members are kept regularly informed, between meetings, of any events or operations that are significant for the life of the group."

(1) The information appearing on the Vilmorin & Cie website does not form an integral part of the present document, unless it is incorporated by reference.

3.2.4.3. HOW THE BOARD OF DIRECTORS FUNCTIONS

Vilmorin & Cie's Board of Directors meets regularly. Meetings are convened by written notice to attend from the Chairman, and are held at the Company's head office or any other place fixed in the notice.

During fiscal year 2021-2022, Vilmorin & Cie's Board of Directors met five times in accordance with a schedule fixed every year. The attendance rate for the members of the Board of Directors was 97.14%. In addition to these scheduled meetings, the Board of Directors may also be convened for any other subject of significant importance that may arise, and members are subsequently kept aware of how the files progress.

Furthermore, regular discussions are held between the Board Members and the operational Executives to prepare for strategic decisions.

Vilmorin & Cie's Board Members are also given responsibilities on the Boards of Directors or equivalent bodies in its main subsidiaries.

Twice a year, Vilmorin & Cie's Statutory Auditors attend Board meetings held to approve the interim and annual financial statements.

The work of the Board of Directors is structured through its missions of orientation and monitoring.

The role of the Board of Directors is therefore primarily to ensure that the management of all operational structures is optimized. For this purpose, it is more particularly required to define Vilmorin & Cie's global strategy, check the coherence of policies implemented, and ensure that the main risks are identified and properly controlled. The main topics discussed during the past fiscal year dealt with:

- an analysis and approval of the orientations presented by the Executive Committee for the midterm plan,
- confirmation of the strategy and the orientations of the Vegetable Seeds and Field Seeds activities both in terms of international development and research investments,
- implementation of the Company's development plan and strategic partnerships, particularly in upstream technologies,
- implementation of financial operations to reinforce the Company's mid- and long-term resources,
- implementation of regulatory changes (changes to the Mollenext Corporate Governance Code, etc.),
- closing of the parent Company financial statements and consolidated financial statements for the first semester and fiscal year of 2021-2022,
- approval of the budget for fiscal year 2022-2023.

The Board of Directors approved Vilmorin & Cie's corporate and consolidated financial statements, along with all related reports, at its meeting of October 12, 2022.

In compliance with the Internal Regulations and the recommendation of the Mollenext Corporate Governance Code, the Board of Directors regularly ensures that a succession plan, respecting Vilmorin & Cie's specific characteristics, is in place for corporate officers and key persons. The guidelines for the succession plan for corporate officers are drawn up, according to each case, either by Limagrain's Board of Directors for its direct representatives, or in consultation with the Strategic Committee for Independent Directors. With regard to salaried Top Executives and key persons, as part of its Human Resources function, Vilmorin & Cie has set up a Careers Committee to plan and organize the mobility and succession of Top Executives and Executive Managers.

For each meeting of the Board of Directors, minutes are drawn up summarizing the discussions, and validated by each Board Member. Each Board Member may request, at his or her initiative, a copy of the minutes of the meetings of the Board of Directors at a later date. Extracts of the minutes are certified by the Chairman of the Board of Directors or the Delegate Chief Executive Officer.

3.2.4.4. EVALUATION OF THE BOARD'S OPERATIONS

In order to comply with the Mollenext Corporate Governance Code recommendation on establishing an evaluation of the Board's work Vilmorin & Cie's Board of Directors carries out an annual self-assessment of its operating mode, the organization of its work and its composition. Nevertheless, the Board of Directors has opted not to formally carry out this evaluation with the help of external consultants. Once every year the Chairman of the Board invites the members of the Board of Directors to express their opinion on the operations of the Board and its Committees, and on the preparation of future work. A questionnaire was given out to all the Board Members, and the results of this questionnaire were presented at the Board Meeting held on October 12, 2022.

3.3. SPECIALIZED COMMITTEES

The Board of Directors consolidates its work through two specialized Committees: the Audit and Risk Management Committee and the Strategic Committee.

3.3.1. THE AUDIT AND RISK MANAGEMENT COMMITTEE

COMPOSITION ON JUNE 30, 2022

In 2010, Vilmorin & Cie's Board of Directors set up an Audit and Risk Management Committee, today chaired by Marie-Yvonne CHARLEMAGNE, an independent Board Member, and under the exclusive and collective responsibility of the Board Members.

On June 30, 2022, Séverine DARSONVILLE, Éric GRELICHE and Pierre-Antoine RIGAUD were also members of this Committee.

Sébastien VIDAL, Franck BERGER, Vilmorin & Cie's Delegate CEO and Vilmorin & Cie's Chief Financial Officer also participate in the meetings, and depending on the items on the agenda, the Company's Statutory Auditors and certain other colleagues, required for their expertise, also participate.

MISSIONS

The Audit and Risk Management Committee has Internal Regulations which were adopted by the Board Members at the meeting of February 23, 2010, and updated on May 4, 2017. These regulations lay down its organization and functioning as a complement to the provisions in Vilmorin & Cie's by-laws and to the decisions of its Board of Directors.

The Audit and Risk Management Committee is responsible in particular for:

- controlling the process of preparing financial information,
- ensuring the efficiency of all internal control and risk management,
- monitoring legal control of the financial statements by the Statutory Auditors and external auditors,
- proposing the designation of its Statutory Auditors, their compensation, ensuring their independence and safeguarding that their missions are carried out correctly,
- approving the provision of services rendered by the Statutory Auditors other than the certification of the financial statements, in accordance with applicable regulation.

MAIN TASKS IN 2021-2022

The Audit and Risk Management Committee met four times during fiscal year 2021-2022, with an attendance rate of 100%.

In particular, its work focused on:

- a review of the interim and annual financial statements,
- the internal audit plan and a half-yearly review of its deployment,
- an updated analysis of the Group's risk management,

- an analysis of the actions implemented with respect to cybersecurity,
- the impacts of the war in Ukraine,
- European taxonomy and CSR training for Board Members,
- an overview of insurance renewals and prevention programs.

3.3.2. THE STRATEGIC COMMITTEE

COMPOSITION ON JUNE 30, 2022

Set up in 2010, the Strategic Committee was composed of six Board Members on June 30, 2022, and is currently chaired by Sébastien VIDAL.

Géraldine BÖRTLEIN, Marie-Yvonne CHARLEMAGNE, Benoist DE SAINT LAGER, Éric GRELICHE and Pierre-Antoine RIGAUD are also members of this Committee.

Franck BERGER, Vilmorin & Cie's Delegate CEO and Vilmorin & Cie's Chief Financial Officer also participate in this Committee.

MISSIONS

The Strategic Committee, for which there is no provision in the by-laws, is responsible for:

- reviewing strategic orientations, the prospective analysis of markets and changes in the competitive environment,
- proposing the designation of new Independent Board Members.

Its operation is governed by Internal Regulations adopted by the Members of the Board of Directors on June 30, 2017.

MAIN TASKS IN 2021-2022

The Strategic Committee met once during the course of fiscal year 2021-2022, with an attendance rate of 100%. Exchanges mainly focused on the key aspects of Vilmorin & Cie's strategy and the competitive environment, with a focus on the Ukraine-Russia zone.

Given the current choice to allocate a compensation related to activity only to independent Board Members, and the specific organization of its General Management, in conjunction with its reference Shareholder, Vilmorin & Cie does not currently have a formal Compensation Committee. The Board of Directors has therefore decided not to set up either a Nomination Committee or a Compensation Committee, but to deal directly with these issues in its plenary sessions.

3.4. MANAGEMENT BODIES

3.4.1. THE GENERAL MANAGEMENT

Vilmorin & Cie's General Management is the responsibility of the Chairman of the Board, Sébastien VIDAL. The Board of Directors has chosen to combine the functions of Chairman and CEO.

3.4.1.1. THE DELEGATE CEO

The Chairman of the Board is assisted in his mission by a Delegate CEO, more specifically in charge of operational functions. On June 30, 2022, this function was held by Franck BERGER, which has been the case since October 13, 2021.



**Franck
BERGER**

Nationality French — 63 years old

EXPERTISE AND EXPERIENCE

Franck BERGER is a graduate of AgroParis Tech (France), and has more than 30 years experience in the group's main business activities. In particular, he has held several Management positions in the Vegetable Seeds division in France, in the United States and in Japan. He is Vice Chairman of the UFS, the French seed association for seed companies & plant breeders, and represents France on the Board of the ISF (International Seed Federation).

Delegate CEO

Terms of Office

Commencement: 2021

Expiry: 2023

ONGOING MANDATES ON JUNE 30, 2022

Chairman & CEO:

Vilmorin USA Corp (United States)

CEO:

Vilmorin Jardin SAS (France)

Member of the Board :

AgriSynergy Proprietary Limited (South Africa), Hengji Limagrain Seeds Co Ltd (China), Limagrain (Beijing) Agricultural Technical Services Co Ltd (China), Limagrain (Beijing) Business Consulting Co Ltd (China), Mikado Seed Holding K.K (Japan), Vilmorin Hong Kong Limited (Hong Kong), Vilmorin Singapore PTE. Ltd (Singapore), Vilmorin USA Corp (United States)

3.4.1.2. LIMITS TO THE POWERS GRANTED TO THE CEO AND THE DELEGATE CEO

The CEO has the widest powers to act in all circumstances on behalf of the Company. He exercises these powers within the scope of the object of the Company and subject to the powers granted by French law governing Shareholders' Meetings and Boards of Directors.

The Delegate CEO has the same powers as those of the CEO with regard to third parties.

For purposes of the Company's internal organization, the powers of the CEO and the Delegate CEO have been partially limited by the Board of Directors, but these limits are not available against third parties.

These limits concern, in particular, the following points (according to financial limits defined by the Board of Directors):

- acquisition, contribution and disposal of participations in other companies or provision of security interests in such participations,
- signing off-balance sheet commitments,
- borrowing, with the exception of campaign funding over less than one year,
- decision to grant any sureties and constitute any mortgages or other guarantees on all the Company's assets.

3.4.2. THE EXECUTIVE COMMITTEE

Vilmorin & Cie's Executive Committee is led by Franck BERGER. On September 30, 2022, it comprised:



Franck BERGER
Delegate CEO



Anthony CARVALHO
Chief Financial Officer



Quiterie FOULET
VP for Human Resources



Régis FOURNIER
CEO Field Seeds division



Rémi BASTIEN
CEO Vegetable Seeds division

Anthony CARVALHO took up the position of Chief Financial Officer of Vilmorin & Cie on September 14, 2022, following the departure of Olivier FALUT, Chief Financial Officer since September 2020.

Anthony CARVALHO, 33, holds a Master's degree in Information Systems from the Institut Mines-Télécom SudParis, and also a Master's degree in Audit & Financial Advisory from the University of Paris Dauphine and a Master's degree in Finance from ESSEC. He has significant experience in financial functions, acquired in investment funds and then as Head of the integrated Family Office of the Roullier Group. He also has experience in Audit and Advisory, acquired within Deloitte. Previously Anthony CARVALHO was, as of September 2021, Chief Financial Officer of the Roullier Group.

The Executive Committee meets twice every month. Its vocation is:

- to propose strategic orientations to the Board and then to ensure their implementation,
- to arbitrate on budgetary proposals from the different Business Units and check regularly that budgetary decisions are respected,
- to analyze any opportunities for external growth, partnerships or divestments, to submit them to the Board, and then to make sure they are properly finalized,
- to define the main rules and operating procedures for Vilmorin & Cie,
- to establish projects to close the interim and annual consolidated and corporate accounts.

3.5. AGREEMENTS WITH CORPORATE OFFICERS AND INTERESTS OF MANAGEMENT BODIES

3.5.1. STOCK OPTIONS, STOCK PURCHASING, VOTING RIGHTS, CONVENTIONS WITH CORPORATE OFFICERS, AGREEMENTS PROVIDED FOR IN ARTICLES L.22-10-10 AND L.225-37-4 OF THE FRENCH COMMERCIAL CODE, PROCEDURE FOR THE ASSESSMENT OF CURRENT AGREEMENTS

Vilmorin & Cie's Board Members do not hold any of Vilmorin & Cie's shares with the exception of Sébastien VIDAL, who benefits from a stock lending arrangement.

No operation or agreement has been agreed by the Company with its corporate officers.

No loan or guarantee has been granted or signed in their favor by the Company's banks. No service contract binding members of the Board of Directors or the General Management and granting benefits has been signed by Vilmorin & Cie or any of its subsidiaries.

In accordance with Articles L.22-10-10 and L.225-37-4 of the French Commercial Code, the following agreements were entered into between one of the companies controlled by the Company

within the meaning of Article L.233-3 of the French Commercial Code and a corporate officer or a Shareholder holding more than 10% of the Company's voting rights:

- Service agreements signed between Alcimed and Limagrain Europe.

Pursuant to article L.22-10-12 of the French Commercial Code, the Board of Directors has set up a procedure for regularly assessing whether agreements relating to current operations and entered into under normal conditions meet these conditions. Persons directly or indirectly interested in one of these agreements do not take part in its assessment. This procedure is a reminder of the regulatory framework applicable to agreements that may be entered into. Its implementation is the responsibility of the Company's Legal Affairs Department.

3.5.2. FEES OR ALLOWANCES PAID TO CORPORATE OFFICERS AND BOARD MEMBERS

In compliance with the provisions of article L.22-10-8 of the French Commercial Code, the Board of Directors will submit, for the fiscal year ended June 30, 2022, for approval by the Annual General Meeting of Shareholders of December 9, 2022, the compensation policy for corporate officers, as defined in paragraphs 3.5.2.1 and 3.5.2.2.

In compliance with the provisions of article L.22-10-8 of the French Commercial Code, the compensation policy for corporate officers must correspond to the Company's corporate interest and contribute to its business strategy and sustainability.

Any changes in the compensation of corporate officers with an employment contract are subject to the processes and recommendations applicable to all Executive Managers.

In so far as Vilmorin & Cie is majority controlled by Limagrain, the decision process followed to determine the compensation policy for the Delegate CEO of Vilmorin & Cie results from specific deliberations of an ad hoc committee set up between the Chairman and CEO of Vilmorin & Cie, the Chairman of Limagrain and its CEO. The said compensation is reviewed annually by this committee.

3.5.2.1. COMPENSATION AND BENEFITS OF ANY NATURE RECEIVED BY CORPORATE OFFICERS

In compliance with the recommendations of the Middlednext Corporate Governance Code, the principles for determining this compensation meet the criteria of comprehensiveness, balance, benchmark, consistency, clarity of the rules, measurement and transparency.

Sébastien VIDAL, Chairman and CEO, exercises his mandate without any compensation for his functions of Chairman and of CEO. He does not receive any compensation either from Vilmorin & Cie, or from Limagrain. Indeed, it is an established management principle that Board Members representing Limagrain should not receive a salary or any other form of compensation for their mandates.

As part of the organization of the Limagrain General Management functions, Vilmorin & Cie's Delegate CEO has a permanent contract of employment with Groupe Limagrain Holding. Compensation is paid by Groupe Limagrain Holding and is re invoiced to Vilmorin & Cie through management fees.

This contract defines the different components of compensation, provisions regarding the non-competition clause and the conditions for terminating the contract

The compensation of corporate officers who have a contract of employment comprises:

- a fixed salary which is reviewed annually,
- a variable part which is defined each fiscal year exclusively in relation to the Company's financial performance, expressed "per thousand" of Vilmorin & Cie's consolidated net income. This quota calculation of the income is reviewed at the beginning of each fiscal year and is applied as such at the end of the fiscal year, once the consolidated financial statements have been definitively approved. The total variable part is capped at one year's fixed salary,
- benefit in kind consisting of the provision of a company car,
- retirement benefits,
- and collective profit-sharing set up through an agreement in force at Limagrain.

The total compensation paid for fiscal year 2021-2022 to Daniel JACQUEMOND, for his function of Delegate CEO, (which was until October 13, 2021), came to 161,800 euros, including a variable part of 93,400 euros. Moreover, he received 635,200 euros corresponding to retirement benefits.

The total compensation paid for fiscal year 2021-2022 to Franck BERGER, for his function of Delegate CEO as of this same date, came to 171,200 euros. The total commitments concerning Franck BERGER's retirement benefits stood at 222,200 euros on June 30, 2022.

Contractual severance payment corresponds to one year's total remuneration, fixed and variable. The formula used to calculate this sum, which constitutes the upper limit, is based on one year's gross fixed salary, excluding any benefits, to which is added a complementary payment corresponding to the annual average of the variable compensation for the previous 3 fiscal years closed.

It is specified that only termination of the contract of employment by the Company can generate this severance payment, which cannot be applied if the Delegate CEO leaves the Company at his or her own initiative.

At the end of fiscal year 2021-2022, the potential impact of the termination of the mandate of Vilmorin & Cie's Delegate CEO can be evaluated at 367,000 euros.

As compensation for a non-competition obligation, the Delegate CEO benefits from a compensatory allowance corresponding to one year's gross fixed salary, excluding any benefits in kind, to which is added a complementary payment corresponding to

the annual average of the variable compensation for the previous three fiscal years closed. At the end of fiscal year 2021-2022, this allowance can be evaluated at 367,000 euros.

Finally, it is specified that the Delegate CEO does not receive any compensation for his/her corporate mandate, since all compensation is exclusively related to his/her contract of employment.

The allocation of stock options or stock purchasing and performance shares is not applicable to the corporate officers of Vilmorin & Cie.

In compliance with the provisions of article L.22-10-34 of the French Commercial Code, the Annual General Meeting of December 9, 2022, will deliberate on the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or attributable to Daniel JACQUEMOND, Delegate CEO until October 13, 2021, and then to Franck BERGER, Delegate CEO as of this same date.

3.5.2.2. FEES AND ALLOWANCES OF ANY NATURE RECEIVED BY BOARD MEMBERS (NON-EXECUTIVE CORPORATE OFFICERS)

The Board Members from Limagrain exercise their mandate without charge and do not receive any fees corresponding to their activity; moreover, they do not receive any corporate compensation with a direct or indirect legal link to Vilmorin & Cie, in compliance with the normal practices of Limagrain.

The Independent Board Members receive compensation related to their activity on the Board of Directors and their participation in Committees, taking into account the time devoted to these functions.

Following the resolution approved by the Annual General Meeting held on December 10, 2021, the Board of Directors decided to allocate all the attendance fees for 2020-2021 (48,000 euros), to Marie-Yvonne CHARLEMAGNE and Géraldine BÖRTLEIN, independent Board Members.

It will be proposed to the Annual General Meeting deliberating on the financial statements closed on June 30, 2022 to fix the compensation related to the activity of the independent Board Members for fiscal year 2020-2021 at 49,440 euros.

3.5.2.3. SUMMARIZED STATEMENTS OF COMPENSATION

The different compensation components of the executive corporate officers due or allocated for fiscal year 2021-2022, which will be submitted to the vote of the Shareholders during the Annual General Meeting of December 9, 2022, are shown in the following tables, completed in reference to the appendix of the Middenext Corporate Governance Code.

Any entry not mentioned in these tables is deemed not to be applicable.

REPORT ON CORPORATE GOVERNANCE

3.5. AGREEMENTS WITH CORPORATE OFFICERS AND INTERESTS OF MANAGEMENT BODIES

TABLE 1 - SUMMARY TABLE OF COMPENSATION PAYABLE TO EACH EXECUTIVE CORPORATE OFFICER

In thousands of euros	06.30.20		06.30.21		06.30.22	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Daniel JACQUEMOND, Delegate CEO⁽¹⁾						
Fixed compensation	234.7	234.7	236.0	236.0	66.6	66.6
Annual variable compensation	77.9	77.9	67.5	67.5	93.4	93.4
Compensation related to activity	-	-	-	-	-	-
Benefits in kind ⁽²⁾	6.4	6.4	6.4	6.4	1.8	1.8
Total	318.9	318.9	309.9	309.9	161.8	161.8
Franck BERGER, Delegate CEO⁽³⁾						
Fixed compensation					166.5	166.5
Annual variable compensation					-	-
Compensation related to activity					-	-
Benefits in kind ⁽²⁾					4.7	4.7
Total					171.2	171.2

(1) Delegate CEO until October 13, 2021.

(2) Benefits in kind correspond to the provision of a company car.

(3) Delegate CEO as of October 13, 2021.

These provisions do not concern Sébastien VIDAL, who exercises his mandate without any compensation.

TABLE 2 - SUMMARY TABLE OF COMPENSATION RELATED TO ACTIVITY (AND OTHER COMPENSATION) RECEIVED BY NON-EXECUTIVE CORPORATE REPRESENTATIVES

In thousands of euros	06.30.20	06.30.21	06.30.22
	Amounts paid	Amounts paid	Amounts paid
Marie-Yvonne CHARLEMAGNE, independent Board Member			
Compensation related to activity	31.2	32.0	33.0
Other compensation	-	-	-
Total	31.2	32.0	33.0
Géraldine BÖRTLEIN, independent Board Member			
Compensation related to activity		16.0	16.5
Other compensation		-	-
Total		16.0	16.5

These provisions do not concern Vilmorin & Cie's other Board Members, who exercise their mandate without any compensation.

It should be noted that the compensation related to the activity of Marie-Yvonne CHARLEMAGNE is equally allocated on the one hand for her mandate as Board Member, including her participation in Committees, and on the other hand as Chairwoman of the Audit and Risk Management Committee.

TABLE 3 - SUMMARY TABLE OF ALLOWANCES OR BENEFITS PAID OUT TO EXECUTIVE CORPORATE OFFICERS

Executive corporate officers	Contract of employment		Supplementary pension scheme		Allowances or benefits due or liable to be due because of the termination or change of function		Allowance with regard to a non-competition	
	Yes	No	Yes	No	Yes	No	Yes	No
Sébastien VIDAL, Chairman and CEO Commencement of term of office: 2016 Expiry of term of office: 2023		X		X		X		X
Daniel JACQUEMOND, Delegate CEO Commencement of term of office: 2017 Expiry of term of office: 2021	X			X	X		X	
Franck BERGER, Delegate CEO Commencement of term of office: 2021 Expiry of term of office: 2023	X			X	X		X	

3.5.3. INFORMATION MENTIONED IN PARAGRAPH I OF ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE

In compliance with the provisions of article L.22-10-34 of the French Commercial Code, the Board of Directors will submit the required information on the compensation of corporate officers paid during the fiscal year ended June 30, 2022, or allocated for the same fiscal year, to the vote of the Shareholders' Meeting of December 9, 2022, which will be invited to vote on all the information set out in paragraphs 3.5.2.1. and 3.5.2.2. above.

3.5.4. COMPENSATION OF MEMBERS OF MANAGEMENT BODIES

In 2021-2022, the sum of compensations and benefits in kind made to members of the Executive Committee came to 1.5 million euros. Moreover, the total amount funded to retirement benefits of members of the Executive Committee came to 0.5 million euros on June 30, 2022.

3.5.5. EQUITY RATIO

In compliance with the provisions of article L.22-10-9 of the French Commercial Code, there is a presentation below of *"the level of compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the Delegate Chief Executive Officer in relation to the average and median compensation on a full-time equivalent basis of the Company's employees other than corporate officers, as well as the evolution of this ratio over the last five financial years."*

This presentation was made in order to comply with the transparency requirements for executive compensation. It may of course evolve in the light of any subsequent clarifications and official positions communicated to companies.

In thousands of euros	06.30.18	06.30.19	06.30.20	06.30.21	06.30.22
Compensation of the Delegate CEO	348.8	313.7	318.9	309.9	333.0
Average compensation on a full-time equivalent basis of the Company's employees ⁽¹⁾	68.3	66.7	69.1	72.2	68.3
Average compensation ratio	5.1	4.7	4.6	4.3	4.9
Median compensation on a full-time equivalent basis of the Company's employees	49.7	48.0	49.8	50.6	50.7
Median compensation ratio	7.0	6.5	6.4	6.1	6.6
Compensation at SMIC ⁽²⁾ on the basis of 35 hours - 13 months				20.2	21.4
Equity ratio compared to SMIC⁽²⁾				15.3	15.6

(1) These compensations concern employees of the structure Vilmorin & Cie SA.

(2) Minimum wage in France on October 1, 2021, date of the annual increases at Vilmorin & Cie.

It should be noted that the compensation considered in the table above presents all the components of the compensation, fixed and variable. As a result, as the compensation of certain employees does not include a variable part, the compensation structure between the Delegate CEO and the employees is different.

This table does not include the Chairman and CEO, Sébastien VIDAL, who exercises his mandate without any compensation.

3.5.6. CONFLICTS OF INTEREST

In accordance with the recommendation of the Middelnext Corporate Governance Code, Vilmorin & Cie's current Internal Regulations include a procedure for revealing and monitoring conflicts of interest, which stipulates that each member of the Board of Directors undertakes to declare to the Chairman of the Board of Directors, before each meeting of the Board, depending on the agenda, any potential or proven conflict between the company's interest and his/her direct or indirect personal interest, and to refrain from taking part in the deliberations and voting on any subject on which he/she is in such a situation. This is recorded in the minutes of the Board of Directors.

In the event that a conflict of interest is revealed, the Chairman of the Board of Directors or the Chairman of the Audit and Risk Management Committee – if it is the Chairman of the Board of Directors himself/herself who is concerned – ensures that the Board Member concerned does not take part in the deliberations or vote on any matter in which he/she is in such a situation.

In addition, the Chairman of the Board of Directors or, as the case may be, the Chairman of the Audit and Risk Management Committee, may at any time refer to the Board of Directors any conflicts of interest of which he or she may become aware and conduct investigations to identify or manage them.

Finally, once a year and in order to anticipate possible conflicts of interest, each member of the Board of Directors undertakes to declare to the Chairman of the Board of Directors or, as the case may be, to the Chairman of the Audit and Risk Management Committee, all the offices or functions that he or she holds and to report any changes in his or her situation as soon as possible.

To the knowledge of the Company:

- no member of the Board or the Executive Committee has been convicted of fraud over the past 5 years,
- no member of the Board or the Executive Committee has been subject to bankruptcy, or has gone into receivership or liquidation or placing of companies under administration as a member of an administrative, management or supervisory body or as CEO over the past 5 years,
- no member of the Board or the Executive Committee has received an official public penalty or sanction pronounced by the statutory or regulatory authorities (including designated professional bodies) over the past 5 years,
- no member of the Board or the Executive Committee has been prevented by a court of justice from acting as a member of an administrative, management or supervisory corporate body, or from intervening in a management or executive capacity over the past 5 years,
- there is no current or potential conflict of interest between the duties held by any of the members of the Board or the Executive Committee with regard to the Company and private interests and/or other duties,
- there are no agreements or arrangements with the main shareholders or with customers, suppliers or others that would have enabled a member of the Board of Directors, Executive Committee or Chief Executive Officer to be selected as a member of a Board of Directors, Executive Committee or General Management,
- there are no restrictions accepted by any member of the Board of Directors, Executive Committee or Chief Executive Officer regarding the sale of shares held in the Company.

3.5.7. SUMMARY STATEMENT OF THE OPERATIONS MENTIONED IN ARTICLE L.621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE, CARRIED OUT DURING THE FISCAL YEAR CLOSING ON JUNE 30, 2022

None.

3.6. PARTICIPATION OF THE SHAREHOLDERS IN GENERAL MEETINGS

All provisions concerning notices to attend, and the holding of Shareholders' General Meetings, are defined in Heading V of Vilmorin & Cie's by-laws, with clauses concerning the attendance and representation of Shareholders appearing in articles 28 and 29.

3.7. INFORMATION LIABLE TO HAVE AN IMPACT IN THE CASE OF A TAKEOVER BID

To the best of the Company's knowledge, there are no mechanisms specifically designed to delay, defer or prevent any change of control.

Vilmorin & Cie's shareholding structure is presented in detail in paragraph 3.2.3, page 103, of this annual report.

This full report was discussed and approved by the Board of Directors at their meeting held on October 12, 2022.

Appendix

SUMMARY TABLE OF THE DELEGATIONS OF AUTHORITY AND POWERS GRANTED BY THE ANNUAL GENERAL MEETING OF DECEMBER 10, 2021 TO THE BOARD OF DIRECTORS WITH REGARD TO CAPITAL STOCK INCREASES

Object of the delegation	Period of validity	Maximum nominal amount	Date and application by the Board of Directors
Delegation of authority with a view to increasing the capital stock immediately or at due date through the issue of ordinary shares and/or securities providing access to the stock or debt securities with preemptive rights maintained	24 months	300 million euros	Not applied
Delegation of authority with a view to increasing the capital stock immediately or at due date through the issue of ordinary shares and/or securities providing access to the stock or debt securities with preemptive rights cancelled	24 months	200 million euros	Not applied
Delegation of authority with a view to increasing the capital stock immediately or at due date through the issue of ordinary shares and/or securities providing access to the capital stock by private placement as regulated by article L.411-2, II of the French Monetary and Financial Code	26 months	20% of the capital stock on the date of the decision by the Board of Directors	Not applied
Global ceiling for the authorizations above	-	500 million euros	Not applied



4. MANAGEMENT REPORT

REPORT OF THE BOARD OF DIRECTORS TO
THE COMBINED ANNUAL GENERAL MEETING
(ORDINARY AND EXTRAORDINARY)
OF DECEMBER 9, 2022

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REPORT OF THE BOARD OF DIRECTORS TO THE COMBINED ANNUAL GENERAL MEETING (ORDINARY AND EXTRAORDINARY) OF DECEMBER 9, 2022

To the Shareholders,

As part of the Combined Annual General Meeting (Ordinary and Extraordinary), and in accordance with the provisions of the law and your Company's by-laws, the purpose of the present report is:

- to submit for your approval the annual financial statements for the fiscal year closing on June 30, 2022,
- to ratify the appointment of two Board Members, and renew the term of office of one Board Member,
- and to delegate to your Board of Directors the necessary powers to proceed with the purchase of your Company's treasury shares and the issue of securities through a public placement with or without pre-emptive rights, according to the best possible market conditions.

Notice to attend has been sent to all of you, and all the documents and relevant information have been made available under the conditions and deadlines stipulated according to the law.

ACTIVITY FOR THE FISCAL YEAR

CORPORATE FINANCIAL STATEMENTS

The corporate financial statements of Vilmorin & Cie have been set out in accordance with French regulations.

Vilmorin & Cie's sales in 2021-2022 came to 95.8 million euros as opposed to 93.9 million euros the previous fiscal year. These sales mainly correspond to services rendered by Vilmorin & Cie to its subsidiaries in the areas of general administration, human resource management, information systems and pooled upstream research programs.

These services are invoiced as management fees according to real expenditure and shared out proportionately between the different subsidiaries of Vilmorin & Cie according to allocation keys based on objective economic criteria.

Total operating charges fell slightly by 0.3 million euros compared to the previous fiscal year and stood at 109.3 million euros.

The operating income showed a loss of 12.5 million euros, an improvement of 1.8 million euros compared to the previous fiscal year.

The financial result showed a net income of 43.4 million euros as opposed to 59.9 million euros in 2020-2021.

This figure takes into account the dividends received from the subsidiaries, with the total amount for fiscal year 2021-2022 of 78.8 million euros, compared to 68.5 million euros the previous fiscal year.

It also includes:

- provisions on Vilmorin Nederland Holding shares for a total of 16.1 million euros,
- and currency exchange losses of 7.9 million euros.

Finally, this financial result also includes 10.7 million euros of net interest charges, as opposed to 12.3 million euros the previous fiscal year.

The extraordinary income showed a net charge of 1.4 million euros as opposed to a net charge of 4.6 million euros in 2020-2021. This corresponds mainly to the last instalments of the Solingen lease for a net charge of sub-leasing income of 1.1 million euros.

Income tax takes into account the impact of the fiscal integration system adopted by the group on July 1, 2000. This fiscal group comprises Vilmorin & Cie, Vilmorin-Mikado SAS, HM.CLAUSE SAS, Vilmorin Jardin SAS and, since fiscal year 2012-2013, Limagrain Europe SAS; for fiscal year 2021-2022, a net income of 15.3 million euros was posted for this line, including tax relief for research of 4.0 million euros.

As a result of the above-mentioned considerations, net corporate income came to 44.7 million euros on June 30, 2022 as opposed to 57.9 million euros for the previous fiscal year.

The capital stock stood at 349,488,703 euros, on June 30, 2022, corresponding to 22,917,292 shares each with a nominal value of 15.25 euros.

On June 30, 2022, loans and financial debts showed a value of 1,061.9 million euros.

Net of cash and investment securities, and also current accounts granted to subsidiaries as part of the group's cash flow management system, net financial debts stood at 443.1 million euros.

CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTING STANDARDS, PRINCIPLES AND METHODS

At the close of fiscal year 2021-2022, Vilmorin & Cie's annual consolidated financial statements were set out in accordance with the IFRS (International Financial Reporting Standards) reference as applied by the European Union on June 30, 2022.

The international accounting standards include the IFRS (International Financial Reporting Standards), the IAS (International Accounting Standards), along with their SIC (Standing Interpretation Committee) and IFRIC (International Financial Reporting Interpretations Committee) interpretations.

The standards, interpretations and amendments to existing standards, applicable to accounting periods open as of July 1, 2021 did not have any significant impacts on the financial statements.

COMPARABILITY OF DATA

The evolution of data for fiscal year 2021-2022 is analyzed in current data and like-for-like data.

Like-for-like data is data that is restated for the impact of changes to scope and currency rates; accordingly, the restated financial data for fiscal year 2020-2021 take into account:

- the impact of currency translation, by applying the average rates of fiscal year 2021-2022,
- changes to the consolidation scope, with little impact on this fiscal year, and mainly concerning variations in scope due to the group's internal reorganization.

ACTIVITY AND RESULTS FOR THE FISCAL YEAR

Consolidated sales, corresponding to revenue from ordinary activities for fiscal year 2021-2022, came to 1,587.2 million euros, up 7.5% with current data compared to the previous fiscal year, and 6.2% on a like-for-like basis, namely above the objective set of an increase in consolidated sales of around 5% on a like-for-like basis.

After taking into account the cost of destruction and impairment of inventory, the margin on the cost of goods stood at 48.6%, a decrease of 0.7 percentage points compared with 2020-2021.

Net operating charges came to 635.2 million euros, as opposed to 600.6 million euros on June 30, 2021.

In compliance with its strategic orientations, in 2021-2022, Vilmorin & Cie, continued to invest in its research programs, both in terms of conventional plant breeding* and biotechnology*. Research investment stood at 275.1 million euros as opposed to 257.0 million euros in 2020-2021 and now represents 16.2% of seed sales from activities intended for professional markets, integrating the activities of the North American company AgReliant, held 50%.

Consequently, the consolidated operating income stood at 136.3 million euros, an increase compared to the 127.4 million euros of the previous fiscal year for all the seeds activities, including Garden Products, resulting in a recorded operating margin of 8.6%, slightly down by 0.3 points compared to the previous fiscal year.

Income from associated companies came to 17.9 million euros, a marked decrease of 8.4 million euros compared to the previous fiscal year, notably due to a deterioration in the operating

performance of AgReliant and the impact of hyperinflation, which severely limited the performance of Seed Co in Zimbabwe.

The financial result showed a net charge of 33.4 million euros as opposed to 46.9 million euros in 2020-2021, an improvement of 13.5 million euros, mainly due to a decrease in currency exchange losses.

The net charge of income taxes deteriorated by 12.0 million euros, and stood at 25.4 million euros as opposed to 13.4 million euros in 2020-2021, mainly due to a deterioration in the deferred tax position of 10.6 million euros, partly attributable to hyperinflation in Argentina (under local standards) and in Turkey.

Finally, the total net income came to 95.4 million euros, an increase of 2.0 million euros compared to the previous fiscal year. This is the highest net income since fiscal year 2012-2013. The group share ("attributable to the controlling Company") stood at 92.2 million euros.

Net of cash and cash equivalents (321.3 million euros), total financial indebtedness came to 901.1 million euros on June 30, 2022 compared with 867.4 million euros on June 30, 2021. The share of non-current financial indebtedness stood at 1,088.3 million euros compared with 994.8 million euros the previous year. The group's share of equity ("attributable to the controlling Company") stood at 1,434.6 million euros and minority interests ("attributable to the non-controlling minority") at 48.8 million euros, with a significant increase over the fiscal year, due to the high level of net income and an increase in translation reserves linked to the appreciation of the US dollar.

Compared with the previous fiscal year, the balance sheet structure on June 30, 2022 was marked by a decrease in the ratio of net indebtedness to equity (a gearing of 61%, compared to 65% on June 30, 2021). The leverage ratio as of June 30, 2022 was 2.3x compared with 2.4x as of June 30, 2021, reflecting an improvement in the group's debt reduction capacity.

Vegetable Seeds

On June 30, 2022, sales for the year for Vegetable Seeds stood at 718.6 million euros, an increase of 2.6% with current data compared with the previous fiscal year. Restated on a like-for-like basis, they grew by 1.2%, lower than the last objective set (which was an increase in like-for-like sales close to 2%) with contrasting results depending on countries and crops, in a less dynamic market context over the past year.

In Europe, the market, which had been growing since the emergence of the pandemic, was disrupted by the Russian-Ukrainian conflict and its inflationary consequences. Business in China has been impacted by the return of strict lockdown measures. On the other hand, Vilmorin & Cie recorded strong growth in the Americas, more particularly in Mexico and South America. The dynamic was also favorable in Asia (excluding China), particularly in India, Japan, South Korea and Vietnam.

In terms of crops, the picture was also mixed, with strong growth for tomato in the United States, and for sweet and hot pepper in Spain, Mexico and Tunisia. While carrot seed sales are increasing in Turkey and China, they are declining or being pushed back in Europe, particularly in France. Cauliflower and melon are in decline.

Moreover, throughout the year, performances were affected by the effects of controlled stopping of activities in two Vegetable Seeds Business Units – vegetable potting plants in Japan and field seeds in Israel.

Overall, the Vegetable Seeds activity posted an operating margin of 14.9% and a net contribution to the consolidated income of 69.4 million euros compared with 76.0 million euros for 2020-2021.

Field Seeds

On June 30, 2022, sales for the year for Field Seeds reached 816.4 million euros, an increase of 14.0% with current data compared to fiscal year 2020-2021. On a like-for-like basis, growth came to 12.6%, significantly beyond the last objective fixed for the year (which was an increase in sales between 7% and 8% on a like-for-like basis).

Mainly driven by an exceptional rapeseed campaign in Europe and highly successful corn campaigns (*safrá* – summer crop and *safrinha* – winter crop in Brazil) in South America, the Field Seeds activity resisted the consequences of the Russian-Ukrainian conflict remarkably well, showing once again the resilience of Vilmorin & Cie's activities in a complex and tense environment. As of June 30, 2022, Field Seeds sales in Europe for the year amounted to 642.4 million euros, up 9.3% on a like-for-like basis; in South America, they came to 134.7 million euros, a like-for-like increase of 35.5%.

The activity of associated companies was up by 3.7% on a like-for-like basis for AgReliant in North America, with a product mix more favorable to soybean, which requires fewer inputs. It was stable for Seed Co on the African market, despite a decrease in volumes in Zambia, Malawi and Zimbabwe, the African seed company having compensated for the drop in sales volumes with price increases in a context of high inflation.

Recording significant business growth, the Field Seeds division posted an operating margin of 5.2%, and a profit contribution to the consolidated result of 47.4 million euros, a marked increase when compared with the previous fiscal year of 38.7 million euros. This progression is essentially due to dynamic business in Europe, compensating for the lower contribution from associated companies, due in particular to the drop in margins at AgReliant and the impact of hyperinflation on Seed Co.

Garden Products and Holdings

Sales for the Garden Products and Holdings activities came to 52.2 million euros on June 30, 2022, a significant decrease of 12.8% on a like-for-like basis compared with the previous fiscal year. The home garden market has returned to the less buoyant pre-pandemic trends, after two fiscal years marked by an upturn in gardening in France following the periods of lockdown.

The operating contribution of these activities showed a total loss of 13.7 million euros, mainly due to costs in the holding structures, while the Garden Products activity still made a profit of 0.9 million euros, after considerable profits of 3.6 million euros for fiscal year 2020-2021; the overall contribution to consolidated net income was negative at 21.4 million euros.

Vilmorin & Cie's activity in fiscal year 2021-2022 once again covered different business sectors both on the professional and consumer markets, since the nature of its business is highly seasonal, and the high-tech products and processes used are extremely important.

INVESTMENT AND REAL ESTATE POLICY

Each fiscal year, as part of its budgetary procedures and mid-term plan, Vilmorin & Cie determines the total amount of investments shared out between the Business Units. These investments are mainly devoted to the modernization of its research centers and the development of its global research network. Vilmorin & Cie also invests in its industrial facilities to guarantee the high quality of its products.

For fiscal year 2021-2022, investments in tangible fixed assets reached 43.5 million euros. In line with the management guidelines for fiscal year 2021-2022, Vilmorin & Cie was vigilant with regard to its investment budget, giving priority to investments in research. For the investments managed, and depending on each case and each Business Unit concerned, funding is set up through a bank loan or by internal resources. More generally, Vilmorin & Cie's investment policy gives priority to assets directly linked to the business; consequently, the Company does not own much real estate which is not directly linked to operations. Finally, it should be emphasized that Vilmorin & Cie has not adopted a pluri-annual investment program of a significant sum in proportion to investments made in recent fiscal years.

INFORMATION ON PAYMENT TERMS

In application of the provisions of articles D.441-4 and L.441-6-1 of the French Commercial Code, we indicate hereafter the number and amount, all taxes included, of invoices received and issued that had not been settled at the end of the fiscal year, and for which the due date had passed.

Article D.441-6 I. 1: Invoices <u>received</u> and not yet settled at the date of the end of the fiscal year and for which the due date had been passed							Article D.441-6 I. 2: Invoices <u>issued</u> and not yet settled at the date of the end of the fiscal year and for which the due date had been passed					
	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Overdue payment brackets												
Number of invoices concerned	894					90	99					59
Total amount for the invoices concerned incl. taxes	17,119,356.79	1,342,794.97	39,309.20	51,455.83	22,388.64	1,455,948.64	5,876,777.93	1,176,952.55	705,517.17	47,314.46	1,144,214.57	3,073,998.75
Percentage of the total amount of purchases for the fiscal year incl. taxes	17.69%	1.39%	0.04%	0.05%	0.02%	1.50%						
Percentage of sales for the fiscal year incl. taxes							5.00%	1.00%	0.60%	0.04%	0.97%	2.62%
(B) Invoices excluded from (A) concerning contentious debts and receivables or not recorded in the accounts												
Number of invoices excluded	None						None					
Total amount concerned by excluded invoices	None						None					
(C) Reference payment terms used (contractual or legal deadline - article L.441-10 or article L.441-9 of the French Commercial Code)												
Payment terms used to calculate late payment	Contractual deadlines: up to 45 days end of month; otherwise legal deadlines: 30 days net						Contractual deadlines: 30 days net					

DECLARATION OF NON-FINANCIAL PERFORMANCE

Vilmorin & Cie has voluntarily included in its annual report the elements constituting a declaration of non-financial performance.

These elements appear in a specific concordance table.

EVENTS OCCURRING AFTER THE CLOSING OF THE FISCAL YEAR

As at October 12, 2022, the date of approval by the Board of Directors of the consolidated financial statements, Vilmorin & Cie is not aware of any subsequent events that require a change in the value of assets and liabilities or an additional indication in the notes to the consolidated financial statements.

No significant change in the group's financial performance has occurred between the closing date of fiscal year 2021-2022 and the publication date of this annual report.

OUTLOOK FOR THE FUTURE

Fiscal year 2021-2022 unfolded in an uncertain market environment, marked by the continuing world health crisis and the outbreak of the Russian-Ukrainian conflict. In this context, however, Vilmorin & Cie managed to post growth in its business activities, thus demonstrating the resilience of its model and its development potential.

In Vegetable Seeds, Vilmorin & Cie can confirm its position as No. 1 worldwide, illustrating the relevance of its strategy, combining innovation and close proximity to markets. In Field Seeds, the fiscal year was marked by significant business progression in Europe and in South America.

Moreover, Vilmorin & Cie pursued the deployment of its strategic orientations, particularly in terms of investment in research and innovation, in its global development on professional markets for agriculture and vegetable production, and in the optimization of its operational organization

Fiscal year 2022-2023 should allow Vilmorin & Cie to continue to strengthen its competitive positions in market conditions that will probably lack visibility. Vilmorin & Cie will pursue its measured

investments in research & development, particularly in upstream technologies, while remaining on the look-out for any external growth opportunity that fits in with its strategic challenges.

Vilmorin & Cie's vocation is to build its development based on a certain number of principles and strategic fundamentals defined several years ago:

- Strong investment in research & development both in upstream technologies and conventional plant breeding*,
- Permanent international development of activities in the context of market globalization and consolidation,
- Strengthening or taking up new competitive positions through perfectly targeted external growth operations,
- Accepting or seeking research partnerships in sectors where technical expertise and/or a critical size can boost development for its companies,
- Maintaining an original organization and management model that favors delegated management in each Business Unit and encourages the fulfillment of synergy between them.

By adhering to this policy, Vilmorin & Cie will be able to confirm its position as the fourth largest seed player in the world, and offer perspectives for resilient development, both in the mid and long term.

PROCEDURES FOR INTERNAL CONTROL AND RISK MANAGEMENT SET UP BY THE COMPANY

GENERAL INTERNAL CONTROL PROVISION

Vilmorin & Cie is in full agreement with the definition of internal control as proposed by the AMF (French Securities Regulator), and has adopted an approach that aims to implement its framework reference.

This reference defines internal control as a provision implemented to ensure:

1. compliance with laws and regulations,
2. application of the instructions and orientations fixed by the General Management,
3. efficient functioning of internal corporate processes, particularly those that have been implemented to protect its assets,
4. the reliability of financial information,
5. and more generally, to contribute to maintaining control of its activities, and ensure the efficiency of its operations and the effective use of its resources.

As with any control system, Vilmorin & Cie cannot provide an absolute guarantee that these risks are totally eliminated, and can only provide reasonable assurance with regard to the successful achievement of its objectives.

Internal control primarily concerns Vilmorin & Cie's different Business Units, and is applied to the Company and its subsidiaries as part of its central management functions.

As a holding structure, the Company Vilmorin & Cie plays a major role in steering internal control. Besides ensuring the coherence of general policies, its role is to coordinate, advise and control its Business Units and subsidiaries. To this end, within the Corporate Finance Department, there is a Financial Control Department and an Internal Financial Control Department.

The internal control provisions implemented by the Finance Department are supplemented by internal auditing run by the Governance, Compliance and Risks Department.

Internal auditing assignments are presented in an internal auditing charter, based on the "Code of Ethics" and the "International Standards for the Professional Practice of Internal Auditing" of the IIA (Institute of Internal Auditors).

The annual audit plan is established by the Internal Audit Department and validated by Vilmorin & Cie's Audit and Risk Management Committee. During the course of fiscal year 2021-2022, audits were conducted in direct association with Vilmorin & Cie's global risks map. These assignments resulted in strict, regular follow-up on recommendations.

RISK MANAGEMENT

Vilmorin & Cie has a global risk management organization based on a risk management network at group and Business Unit level, and an Audit and Risk Management Committee whose missions and composition are set out in detail in the section "Specialized Committees" of the annual report.

Vilmorin & Cie has gradually developed an operational approach to managing its risks, which is described in the section "Risk factors" of the Annual Report. This is a process implemented by the Company and its Business Units and managed by the Corporate Risk Management and Insurance Department, whose main missions involve coordinating Vilmorin & Cie's global approach to risk management in order to ensure control and, if necessary, to finance insurable risks.

The Governance, Compliance and Risks Department reports regularly to the Executive Committee and the Audit and Risk Management Committee on risk mapping and the major risks. Vilmorin & Cie's Executive Committee plays an essential role in risk management, and validates priorities and major orientations in terms of risk management.

THE MAIN RISK FACTORS

The risk management methodology as well as the main risk factors identified for Vilmorin & Cie are described in more detail in the section "Risk factors" of the annual report.

Climate change has been identified as a risk factor for Vilmorin & Cie's activities, and in particular it is referred to in the description of risks related to agronomic production. In its strategy, Vilmorin & Cie already takes into account the future effects of climate change by adjusting its research on varieties adapted to the climate. In addition, the diversified international location of production zones and research sites makes it possible to spread and limit climatic and meteorological risks, and to ensure regular, high-quality seed production.

PROCEDURES CONCERNING THE PRODUCTION OF FINANCIAL AND ACCOUNTING INFORMATION

Vilmorin & Cie's consolidated financial statements are set out in accordance with the international accounting standards (IFRS standards) published by the International Accounting Standards Board (IASB) and with the interpretations of the IFRS published by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as applied by the European Union on June 30, 2022.

ORGANIZATION

The production of financial and accounting information comes within an overall process that involves several phases:

THE MID-TERM PLAN

A mid-term plan is the working reference that describes the main strategic orientations, and is set out in each Business Unit in conjunction with the management of its division. Every year it is updated and confirmed by the Board of Directors and the Executive Committee at the level of Vilmorin & Cie, and consolidated in accordance with a formal process.

THE SHORT-TERM FINANCIAL BUDGET

A short-term financial budget with detailed operations is set out every year by each Business Unit during the first semester. It is also validated by Vilmorin & Cie and consolidated in accordance with a formal process.

This budget is updated as a forecast at least once over the course of the fiscal year.

MONTHLY REPORTING

Each company produces monthly performance indicators adapted to its business activity. These are compared to the budget, and any differences are analyzed to detect any significant discrepancies or deviations. Data from reporting is also reconciled with the general accounts.

Such monitoring generally concerns business (sales and commercial margins) and results, evolution of the headcount, cash flow and funding, and the investment plan.

The main indicators of this reporting are also consolidated every month in accordance with a formalized process. Detailed, non-audited quarterly financial statements complete this organization.

THE HALF-YEARLY AND ANNUAL FINANCIAL STATEMENTS

Preparation of the half-yearly and annual financial statements comes under the responsibility of the finance departments and General Management of each subsidiary.

Procedures are defined locally to match the business of the different companies, but must respect a general schedule defined by Vilmorin & Cie.

Any decisions that need to be taken when the financial statements are established are confirmed by the Company before being definitively adopted by the respective Boards of Directors, and by Vilmorin & Cie's Board of Directors and Executive Committee.

Consolidation operations are carried out using consolidation files completed by each subsidiary in compliance with procedures and a specific schedule.

Information feedback is structured in such a way as to guarantee the permanence and homogeneity of the methods used to record transactions in accordance with Vilmorin & Cie's accounting principles:

- coherence of the accounting reference, methods and consolidation rules,
- standardization of presentation formats,
- use of a shared computing tool for information feedback and shared consolidation.

INTERNAL CONTROL

The scope of application for the internal control procedures relating to the preparation and processing of accounting and financial information includes the parent company and all controlled subsidiaries.

All the data intended to be disclosed is controlled and analyzed with reference to the information collected during reporting.

Instructions are given and controls made in order to guarantee a standard, homogeneous formalization process. Information is prepared under the responsibility of the Business Units and the subsidiaries.

The Corporate Finance Department co-ordinates closely with the Statutory Auditors and external auditors, who work with the subsidiaries and the Consolidation Department according to a schedule prepared together.

All the accounting and financial items prepared by the main consolidated subsidiaries are audited at least once by external auditors when the yearly accounts are closed. At this audit, the CEO and CFO of each subsidiary pledge together through a co-signed letter of confirmation that the financial information is of high quality, reliable and exhaustive.

Auditing missions in the different countries are entrusted in almost all cases to members of the network of the two Statutory Auditors who, after examining together all the financial statements and methods used to draw them up, certify Vilmorin & Cie's consolidated financial statements. They certify that the consolidated financial statements and parent company financial statements present a true, consistent and fair picture. They are given information prior to the elaboration of the financial statements and present a summary of their work to the financial and accounting managers in the Business Units for the six-month and yearly closing positions.

The consolidated financial statements are reviewed by the Executive Committee and the Audit and Risk Management Committee before they are approved by the Board of Directors.

ASSESSMENT OF INTERNAL CONTROL

The internal financial control department reviews self-assessment questionnaires on accounting and financial internal control provisions. These questionnaires were created using the AMF (French Securities Regulator) model and reviewed in collaboration with the Statutory Auditors in order to adapt them more closely to the specificities of Vilmorin & Cie's businesses and environment.

These questionnaires are deployed every year in the Business Units and subsidiaries and are, in certain cases, checked through interviews conducted directly by the Statutory Auditors or internal auditors.

For fiscal year 2021-2022, no major anomaly was brought to light.

SUBSIDIARIES, SHAREHOLDINGS AND BRANCHES

We remind you that the table of subsidiaries and shareholdings is appended to this report in accordance with article L. 233-15 of the French Commercial Code⁽¹⁾.

During fiscal year 2021-2022, Vilmorin & Cie increased its stake in Seed Co International by paying out dividends in the form of shares, and subscribed to an increase in the capital stock of its subsidiary Limagrain India.

SHAREHOLDING

Vilmorin & Cie's capital stock stands at 349,488,703 euros and comprises 22,917,292 shares, each with a nominal value of 15.25 euros.

On June 30, 2022 the majority of the capital stock, 58.69%, was held by Groupe Limagrain Holding, 6.49% by the company Coopérative Agricole Limagrain and 5.52% by Sélia, all three of these companies belonging to Limagrain.

Moreover, since October 14, 2020, BpiFrance has held 5.71% of Vilmorin & Cie's capital stock.

Vilmorin & Cie's by-laws grant double voting rights to any shares held nominatively for a period of more than four years. On June 30, 2022, 15,710,438 shares benefitted from this right. Groupe Limagrain Holding, Coopérative Agricole Limagrain and Sélia were the main shareholders concerned, giving Limagrain voting rights control of 82.34%.

On June 30, 2022, Vilmorin & Cie held 8,075 treasury shares corresponding to less than 0.04% of its capital stock.

In compliance with the provisions of article L.225-102 of the French Commercial Code, we inform you that on June 30, 2022 no employee held a stake in the capital stock.

(1) Cf. consolidation scope on pages 239 to 243.

APPLICATION OF THE PROFITS

We propose to apply the profits of Vilmorin & Cie as follows (application of the figures in bold typeface):

Net profits on June 30, 2022:	44,726,071.45 euros
Application to legal reserve:	2,236,303.57 euros
Profits available on June 30, 2022:	42,489,767.88 euros
Carried forward on June 30, 2022:	21,144,978.26 euros
Dividends to distribute:	36,667,667.20 euros
Application of the amount to carry forward:	5,822,100.68 euros
Final amount to carry forward:	26,967,078.94 euros

After this application, the final amount to carry forward will be 26,967,078.94 euros.

The net dividend is set at 1.60 euros per share. As a proportion to the net profits for the group, the sums distributed amount to 39.8%.

The total amount of dividends does not take into account any possible treasury shares held for control on the date the dividends are paid. Any dividends corresponding to these shares will be carried forward.

Moreover, we wish to inform you that for the last three fiscal years, dividends were distributed as follows:

Fiscal Year	Income eligible for tax credit		Income not eligible for tax credit
	Dividends	Other income distributed	
2018-2019	€30,938,344.20* i.e. €1.35 per share	-	-
2019-2020	€22,917,292.00* i.e. €1.00 per share	-	-
2020-2021	€36,667,667.20* i.e. €1.60 per share	-	-

*Including the amount of unpaid dividend corresponding to treasury shares and carried forward.

EXPENSES THAT ARE NOT TAX DEDUCTIBLE

In compliance with the provisions of article 223 *quater* of the French Tax Code, we ask you to approve the expenses and charges concerned by article 39-4 of the same code, which came to a total of 147,011 euros.

In compliance with the provisions of article 223 *quinquies* of the French Tax Code, we present the global figures concerning the expenses concerned by article 39-5 of the same code.

MANAGEMENT REPORT

REPORT OF THE BOARD OF DIRECTORS TO THE COMBINED ANNUAL GENERAL MEETING OF DECEMBER 9, 2022

TABLE OF RESULTS OF THE COMPANY OVER THE PAST FIVE FISCAL YEARS

In compliance with the provisions of article R.225-102 of the French Commercial Code, the following table shows the results of our Company over the past five years.

In thousands of euros	17-18	18-19	19-20	20-21	21-22
1. Capital stock at the end of the fiscal year					
Capital stock	317,717	349,489	349,489	349,489	349,489
Number of ordinary shares	20,833,902	22,917,292	22,917,292	22,917,292	22,917,292
2. Operations and results					
Total sales before tax	82,165	84,244	95,053	93,894	95,808
> of which France	55,738	57,941	65,852	65,735	67,305
> of which Export	26,427	26,303	29,201	28,159	28,503
> of which Services	70,897	72,533	88,636	87,065	90,961
Profit before income tax, profit-sharing, amortization, depreciation and provisions	55,186	73,777	3,145	38,768	56,108
Profit after income tax, profit-sharing, amortization, depreciation and provisions	30,828	42,382	15,996	57,910	44,726
Profits distributed	28,119	30,938	22,917	36,668	36,668
Profit per share (in euros)					
Profit after income tax and employee profit-sharing but before amortization, depreciation and provisions	3.67	3.99	0.82	2.43	3.11
Profit after income tax and employee profit-sharing, amortization, depreciation and provisions	1.48	1.85	0.70	2.53	1.95
Dividend per share ⁽¹⁾	1.35	1.35	1.00	1.60	1.60
3. Headcount					
Average company staff ⁽²⁾	295	277	302	320	310
Total payroll	18,321	19,725	20,818	22,641	20,097

(1) Historical data, not restated of free share allotment.

(2) Number of people.

INTER COMPANY LOANS

We inform you that our Company has not granted any loans pursuant to articles L.511-6, 3bis and R.511-2-1-1 of the French Monetary and Financial Code.

INFORMATION TO THE STAFF REPRESENTATIVE BODIES

We inform you that, in compliance with the provisions of article L.2312-25 of the French Labor Code, the results of your Company have been sent to, and presented to, the staff representative bodies before the Annual General Meeting.

REGULATORY AGREEMENTS

We inform you that no new agreement subject to the procedure for regulatory agreements governed by article L.225-38 of the French Commercial Code was signed during the course of the fiscal year from July 1, 2021 to June 30, 2022 and we ask you to consider these elements.

The agreements entered into and approved over previous fiscal years, and which continued to apply for the past fiscal year, were re-examined by your Company's Board of Directors.

These agreements have been brought to the attention of the Statutory Auditors for their report on regulated agreements and commitments.

CORPORATE MANAGEMENT SYSTEM

On June 30, 2022, administration of your Company was entrusted to a Board of Directors comprising seven members:

- Chairman and CEO (member): Sébastien VIDAL
- Members of the Board of Directors:
 - Géraldine BÖRTLEIN, Independent Board Member
 - Marie-Yvonne CHARLEMAGNE, Independent Board Member
 - Séverine DARSONVILLE
 - Eric GRELICHE
 - Pierre-Antoine RIGAUD
 - Bpifrance Investissement represented by Benoist DE SAINT LAGER

On March 1, 2022, Monsieur Eric GRELICHE was appointed Board Member to replace Madame Annick BRUNIER, for the remaining duration of her term of office, expiring at the close of the Annual General Meeting of Shareholders called to deliberate on the financial statements for the fiscal year ending June 30, 2023.

On March 1, 2022, Monsieur Pierre-Antoine RIGAUD was appointed Board Member to replace Monsieur Sébastien BRIFFOND, for the remaining duration of his term of office, expiring at the close of the Annual General Meeting of Shareholders called to deliberate on the financial statements for the fiscal year ending June 30, 2024.

In accordance with legal provisions, the ratification of the mandates of Monsieur Eric GRELICHE and of Monsieur Pierre-Antoine RIGAUD will be submitted to the Annual General Meeting of Shareholders to be held on December 9, 2022.

Moreover, the Annual General Meeting of Shareholders to be held on December 9, 2022 will also be asked to deliberate on the renewal of Madame Marie-Yvonne CHARLEMAGNE's term of office as an Independent Board Member for a period of three years, expiring at the end of the Annual General Meeting of Shareholders called to deliberate on the financial statements for the fiscal year ending June 30, 2025.

Finally, the Board of Directors acknowledged the resignations of Monsieur Philippe BLATEYRON and of Monsieur Pascal VIGUIER, and expressed the wish not to replace them.

During fiscal year 2021-2022, your Board of Directors met five times.

Vilmorin & Cie's Board Members remain committed to their responsibilities on the Boards or other equivalent bodies of governance in the main subsidiaries.

CONTROL BODIES

Vilmorin & Cie's Statutory Auditors are Grant Thornton and Visas 4 Commissariat.

Furthermore, services provided other than the certification of the financial statements provided by the Statutory Auditors during the fiscal year to our Company and the controlled entities were as follows:

- certificate missions carried out by Grant Thornton and Visas 4 Commissariat,
- ESEF (European Single Electronic Format) reporting review mission carried out by Grant Thornton,
- "EU taxonomy" reporting review mission carried out by Grant Thornton,
- audit of the consolidated non-financial performance declaration carried out by Grant Thornton.

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties, mainly with Limagrain, are described in note 34 in the Notes to the consolidated financial statements on June 30, 2022, and they were pursued during this fiscal year on the same basis as in fiscal year 2020-2021.

PROGRAM TO BUY BACK SHARES IN ACCORDANCE WITH ARTICLE L.22-10-62 OF THE FRENCH COMMERCIAL CODE

In compliance with the provisions of article L.225-211 of the French Commercial Code, we inform you that in order to stabilize our share value, and as part of the buy-back program approved by the Combined Ordinary and Extraordinary Annual General Meeting of December 10, 2021, we carried out the following operations over the fiscal year;

- Number of shares purchased:	73,353
- Average purchasing price:	49.10 euros
- Number of shares sold:	76,323
- Average selling price:	49.69 euros

On June 30, 2022, our Company held 8,075 shares, corresponding to less than 0.04% of the capital stock, at a purchasing value of 341,100 euros with an average unit price of 42.24 euros.

On September 30, 2022, our Company held 7,491 treasury shares, corresponding to less than 0.05% of the capital stock.

In order to encourage the liquidity of transactions and a regular quotation for our shares, your Board of Directors proposes that once again you grant authorization, for a maximum duration of 18 months, to buy or sell the Company's own shares in compliance with the provisions of article L.22-10-62 et seq. of the French Commercial Code, in order to:

- ensure liquidity and manage the market for shares through a fully independent investment service provider, with whom a liquidity contract has been signed in compliance with the Charter of Ethics of the AMAFI, recognized by the AMF (French securities regulator),
- hand over shares when an investor exercises his or her rights with regard to securities that provide access by whatever means, immediately or when due, to Company shares,
- apply any other measures that might be authorized or recognized by law or by the *Autorité des marchés financiers*, or set any other objective that complies with regulations in force.

These operations will be conducted in accordance with regulations in force and the following conditions:

- the maximum purchasing price is fixed at 80 euros per share,
- the maximum number of shares liable to be purchased is fixed at two million shares, up to a maximum potential commitment of 80 million euros.

AUTHORIZATION TO MAKE A PUBLIC SHARE ISSUE

During the Combined Ordinary and Extraordinary Annual General Meeting of December 10, 2021, a number of resolutions were passed authorizing the Board, if appropriate, to issue bonds or other assimilated debt securities, and also to increase the capital stock by issuing shares, various securities and/or stock purchase warrants with or without pre-emptive rights.

In order to remain attentive to the market and any opportunities that may come up with regard to Vilmorin & Cie's development projects, we propose to renew all these authorizations in accordance with the provisions set out below.

ISSUE OF BONDS AND OTHER ASSIMILATED DEBT SECURITIES

We request that you grant full powers to your Board of Directors, based solely on its deliberations, to take decisions to proceed in one or several operations, whether in France or another country and/or on international markets, in euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 600 million euros or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies.

The Board of Directors may decide that the bonds, or other debt securities, will be of the perpetual floating or limited floating rate type, either for the capital stock and/or the interest accrued for these securities.

The Board of Directors may proceed with these issues in the limits fixed above, in compliance with legal provisions and with the bylaws, and may also:

- determine the period or periods of issue,
- determine the issue currency and the nominal value of the loan,
- fix the terms and conditions of the bonds and/or debt securities to issue, and in particular their nominal value, their issue price, their fixed and/or variable rates of interest, and the payment dates, their fixed or variable redemption price, with or without premium, and, according to market conditions, fix the duration and conditions of amortization for the loan,
- more generally sign any contract documents or agreements with any banks or institutes, make any provisions and fulfill any formalities concerning the issue, the quotation and the financial management of the aforementioned bonds and/or aforementioned debt securities, and constitute the body of bondholders in compliance with legal provisions, and in a general manner, do all that is required.

The Board of Directors will also have full powers to decide, where necessary, to attach a guarantee to the securities issued and, if this is the case, to define and grant this guarantee, and take any measures for this purpose.

CAPITAL STOCK INCREASE THROUGH THE ISSUE OF SHARES, VARIOUS SECURITIES AND/OR STOCK PURCHASE WARRANTS WITH OR WITHOUT PRE-EMPTIVE RIGHTS

We request that you grant all powers to your Board of Directors to deliberate and then to proceed, in one or several operations, with the issue of shares, various securities and/or stock purchase warrants with or without pre-emptive rights, with any such issue being subject, in particular, to the following conditions and provisions:

- each share issue of the Company will bear a maximum nominal value of 300 million euros, to which will be added, as relevant, the nominal amount of the shares for issue in order to preserve the rights of the bearers of securities that open up rights to shares, in compliance with the law,
- each issue of securities, other than shares, that provides access to the capital stock, cannot be greater than 300 million euros or than the counter value of this sum in the case of an issue in a foreign currency, or in a monetary value fixed in reference to several currencies,
- in the event of the cancellation of the pre-emptive stock purchase rights, the Board of Directors may grant Shareholders, for the duration and according to the conditions that it will fix, a priority duration to subscribe for securities without creating negotiable and transferable rights,
- the issue price for warrants issued alone must, for each share to be created, be such that the sum of this price and the exercise price of each warrant is at least equal to the weighted average of the rate of former shares recorded over the previous three Paris stock market trading sessions before the price is fixed, in certain cases reduced by a maximum discount of 5%.

Moreover, in cases where one of the companies in which your Company holds, whether directly or indirectly, more than half the capital stock, were to issue securities providing access to your Company's capital stock, the Board of Directors may exercise the authorizations granted to proceed with the issue of these securities.

ISSUE OF SHARES AND OTHER SECURITIES PROVIDING ACCESS IMMEDIATELY AND/OR WHEN DUE TO THE CAPITAL STOCK BY PRIVATE PLACEMENT UNDER ARTICLE L. 411-2, II OF THE FRENCH MONETARY AND FINANCIAL CODE

We also request that full powers be granted to your Board of Directors to proceed, at its discretion, in one or several operations, with the issue of ordinary shares or securities providing access immediately and/or when due to the Company's capital stock as governed by articles L. 228-91 et seq. of the French Commercial Code, without pre-emptive subscription rights, by private placement under article L. 411-2, II of the French Monetary and Financial Code. Such issues are subject, in particular, to the following modalities and conditions:

- the maximum nominal amount for the capital stock increases that may be issued immediately, or when due, is 20% of the capital stock on the day of the decision by the Board of Directors. This amount will be deducted from the total ceiling submitted to your Annual General Meeting in its nineteenth resolution or, where relevant, from the total amount of ceilings provided for in resolutions of the same nature which might possibly follow these resolutions during the validity of the present delegation. The nominal amount of shares that are liable to be issued in the case of new financial operations will be added to these ceilings, to preserve the rights of bearers of securities that provide access to the capital stock. In all cases, issues of securities by virtue of the present delegation are legally limited to 20% of the capital stock every year.
- the price for the subscription of shares and/or securities issued will be determined in compliance with the provisions of articles L.22-10-52 et R.22-10-32 of the French Commercial Code.

Moreover, in cases where one of the companies in which your Company holds, whether directly or indirectly, more than half the capital stock should issue securities providing access to your Company's capital stock, the Board of Directors may exercise the authorizations granted to proceed with the issue of these securities.

It is hereby specified that any capital stock increases that may result from the use of the sixteenth thru eighteenth resolutions may not exceed a total nominal amount of 600 million euros or the counter value of this sum in the case of an issue in a foreign currency, or in a monetary value fixed in reference to several currencies, to which shall be added, where applicable at the time of the aforementioned capital stock increases, the nominal value of the additional shares to be issued in order to protect, in accordance with legal and regulatory provisions, the interests of the holders of securities giving access to the capital stock.

All the conditions of these delegations are set out in the ordinary and extraordinary draft resolutions (tenth resolution and sixteenth thru eighteenth resolutions) submitted for your approval, and also in the Statutory Auditors' special report.

CAPITAL STOCK INCREASE RESERVED FOR EMPLOYEES

We wish to inform you, in compliance with article L.225-129-6 of the French Commercial Code, that when any decision is made to increase the capital stock, we are obliged to present you with a draft resolution to proceed with a capital stock increase reserved for employees as part of a company or group savings scheme.

This project is the subject of the twentieth resolution as submitted for your vote.

Since the provisions laid down by this legislation do not, in our opinion, appear to be suited to the specific situation of our Company or our group, on this particular occasion your Board of Directors will not be making any voting recommendations, and each shareholder will freely assess its relevance.

GENERAL PROVISIONS

The rules adopted to establish these documents respect legislation in force, and take into account the provisions resulting from the IFRS accounting and evaluation principles for consolidated financial statements as they were applied by the European Union on June 30, 2022.

In their reports your Statutory Auditors confirm that they have accomplished their mission.

With the exception of the twentieth resolution, for which no voting recommendation is made as indicated above, your Board of Directors invites you to adopt the ordinary and extraordinary resolutions which it is submitting for your approval.

5.

CORPORATE SOCIAL RESPONSIBILITY AND NON-FINANCIAL PERFORMANCE

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5.1 RESPONSIBILITY AT THE HEART OF THE MODEL

Vilmorin & Cie has had a Corporate Social Responsibility (CSR) program, since 2012. Updated in 2019, this program structures, within a CSR framework, the challenges that Vilmorin & Cie addresses every day in its business as a seed company, its practices in terms of research, production and distribution, and the relations it maintains with its stakeholders. It is consistent with the standard ISO 26000, particularly its specific application to the agri-food sector, and the ten principles of the Global Compact. It is also based on that of Limagrain, its reference Shareholder, with whom the Company shares the values of progress, perseverance and cooperation.

5.1.1. THE THREE CSR PRIORITIES

Vilmorin & Cie's CSR program is structured around three CSR priorities and eight issues listed below.

Contributing to the lasting progress of agriculture through seeds

- Proposing innovative and responsible solutions from plant genetics for all agricultural models
- Protecting and enriching plant biodiversity
- Nurturing societal dialogue on seed issues

Acting responsibly

- Fostering the professional fulfilment of employees
- Acting in accordance with its Ethical Principles and Code of Conduct
- Limiting the environmental impact of business activities

Encouraging cooperation

- Promoting a shared culture
- Getting involved with local communities in regions where the group operates

CONTRIBUTING TO THE LASTING PROGRESS OF AGRICULTURE THROUGH SEEDS

This priority is inseparable from Vilmorin & Cie's seed business. Unlike its main competitors, Vilmorin & Cie has no activity other than seed production, and so can pursue its ambition to create new varieties that provide efficient and sustainable solutions for all types of agriculture. As the top priority of Vilmorin & Cie's CSR program, it is reflected in the issues related to the Company's own activity, i.e. plant breeding*, in its contribution to greater plant biodiversity, and in the company's participation in social discussions related to seed.

ACTING RESPONSIBLY

Vilmorin & Cie has chosen responsible and ethical business practices to build lasting and effective relationships on the markets where it operates. For Vilmorin & Cie, acting responsibly also means caring for the well-being of its employees, working to limit the use of natural resources and focusing on the creation and preservation of value in the short, medium and long term. In this way the Company aims to develop activities, while optimizing the management of environmental, social and societal risks in varied and evolving business contexts.

ENCOURAGING COOPERATION

One of Vilmorin & Cie's three values is that of "cooperation". The Company applies this key priority in the broadest sense alongside its stakeholders, in order to build up new partnerships for example, but above all cooperation constitutes a mode of internal and external relationship in which listening, exchange and dialogue are encouraged and constitute sources of shared value as it is created. Cooperation also manifests itself through solidarity initiatives in the territories where Vilmorin & Cie is established.

5.1.2. OPERATIONAL ORGANIZATION

CSR management is based on a continuous improvement approach deployed throughout Limagrain, Vilmorin & Cie's parent company and reference Shareholder, and on a dedicated organization. The CSR Department, composed of three and a half permanent staff, coordinates Corporate Social Responsibility initiatives at Group level. For the past eight years, the CSR Department has relied on the expertise of a CSR Committee, made up of CSR correspondents from the various Business Units and representing different business lines.

The reporting line of the CSR Department to a member of the Group Executive Committee, and to a Limagrain Board Member, is a strong sign of the importance given to CSR in the corporate strategy. It also has an impact on the governance of CSR. Indeed, the Group Executive Committee, acting as the CSR Strategic Committee, guides, validates and controls the CSR program, which the CSR Department is responsible for leading and monitoring. As such, it reports to the Executive Committee on the progress of the program.









The CSR Department is not alone in deploying the CSR program. For certain program challenges, some Corporate Departments are responsible for their management and can rely on their business networks to formalize and deploy the actions.

This governance mode makes it possible to disseminate the issues and actions related to all the group's activities and to involve both the Business Units and Corporate Departments more strongly in their achievements.

5.1.3. CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

4th largest seed company in the world and world No. 1 in vegetable seeds, Vilmorin & Cie, through its activity that links seeds, agriculture and food, has a decisive impact on the living conditions of the world's population. On the strength of this major responsibility and already committed, through its parent company and reference Shareholder Limagrain, to the Global Compact, Vilmorin & Cie contributes directly through its daily achievements to these Sustainable Development Goals (SDGs) as defined by the United Nations (UN).

Regular analysis of its CSR program and its actions has made it possible to review the list of targets to which Vilmorin & Cie believes it can make a contribution. As a result, four new SDGs have been included in the summary table below.

																			
Vilmorin & Cie's contribution presented in paragraph:	Target of the Sustainable Development Goals SDGs)																		
	Zero hunger			Gender equality		Decent work and economic growth		Reduced inequalities	Responsible consumption and production			Climate action	Life on land			Peace, justice and strong institutions			
	2.3	2.4	2.5	5.1	5.5	8.7	8.8	10.4	12.2	12.5	12.6	13.1	15.6	15.a	15.b	16.5	16.b		
5.2.2.1.																			
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5.3.4.3.																			
5.3.4.4.																			

Definition of the targets for Sustainable Development Goals (SDGs)

- 2.3** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.
- 2.4** By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.
- 2.5** By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to, and fair and equitable sharing of, benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed.
- 5.1** End all forms of discrimination against all women and girls everywhere.
- 5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
- 8.7** Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.
- 8.8** Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
- 10.4** Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.
- 12.2** By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.6** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
- 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
- 15.6** Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed.
- 15.a** Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.
- 15.b** Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.
- 16.5** Substantially reduce corruption and bribery in all their forms.
- 16.b** Promote and enforce non-discriminatory laws and policies for sustainable development.

5.1.4. ASSESSING VILMORIN & CIE'S NON-FINANCIAL PERFORMANCE

Today, independent rating agencies analyze and rank the non-financial performance of companies, and Gaïa Research⁽¹⁾ is among the latest analyses published on Vilmorin & Cie.

After the Gaïa Index, of which Vilmorin & Cie had been a participant since 2016, Gaïa Research now assesses 400 companies with a view to ranking them according to their ESG performances, and informs investors of their ESG rating, as well as their ranking in the panel of companies. The Company obtained the following ranking in 2021:

- 30/400 in the national ranking,
- 3/24 in the ranking by sector,
- 27/178 in the ranking by level of sales,
- (>500 million euros).

Vilmorin & Cie's ESG rating can be found in paragraph 1.1.1. on page 14.

(1) The Gaïa Index is a subsidiary of EthiFinance specializing in the analysis and CSR rating of European Small and Midcaps.

5.2. CONTRIBUTING TO THE LASTING PROGRESS OF AGRICULTURE THROUGH SEEDS

5.2.1. THE CONTEXT AND THE ISSUES

Agriculture faces many challenges, foremost among which is meeting the food needs of a growing world population (8.5 billion people in 2030⁽¹⁾ and almost 10 billion in 2050).

To rise to this challenge, agricultural production must increase by 60% by 2050⁽²⁾, in quantity, but also in quality and diversity in a context of increasing scarcity of resources (available arable land, water, energy). It is therefore essential to increase yields, optimize arable land use and enhance the value of sustainable agricultural chains.

Vilmorin & Cie, whose sole business is that of seed, is convinced that plant breeding* must provide solutions to these challenges. Seed innovation and genetic progress must enable farmers to grow varieties with improved performances, and to produce more in a context of limited resources, but also to provide solutions for all types of agriculture, allowing them to coexist in a balanced and diversified combination.

Moreover, at the end of 2019, the European Commission presented its "European Green Deal". This is a roadmap whose aim is to *"make the EU's economy sustainable by turning climate and environmental challenges into opportunities in all policy areas, and making the transition just and inclusive for all,"* and *"to boost the efficient use of resources by moving to a clean, circular economy and stop climate change, revert biodiversity loss and cut pollution."*

All areas of the economy are concerned, especially agriculture. In addition to carbon neutrality by 2050, the Green Deal also intends to act on biodiversity; two areas where Vilmorin & Cie, as a seed company, can make a significant contribution. On the one hand, working in the field of plants means making the most of the photosynthesis of plants, which capture carbon to ensure their development. On the other hand, plant breeding* is based on the ability to have the widest possible biodiversity of cultivated plant species and to enrich it with the new varieties created.

5.2.2. PROPOSING INNOVATIVE AND RESPONSIBLE SOLUTIONS FROM PLANT GENETICS FOR ALL AGRICULTURAL MODELS

Scientific progress, particularly in the field of genetics, has led to rapid and useful advances in plant improvement. Every day, the breeding* teams strive to create varieties that meet the

expectations of farmers and vegetable producers, regardless of their production system, their difficulties and their geographical area. They thus breed varieties that are more productive, better adapted to the climates and specificities of the different regions, more resistant and with improved nutritional qualities. Investment in research is therefore a constant aspect of the strategy at Vilmorin & Cie, which has the most diversified portfolio of programs among the major seed companies, with breeding programs for 55 vegetable and field seed crops.

Vilmorin & Cie also integrates the evolution of agricultural practices resulting from new technologies, particularly digital, into its research process. Precision farming, which makes it possible to complete the farmer's experience and practices in order to model them in the form of data, is an important area of work, with the goal of optimizing the use of inputs*. Soil knowledge and protection, and the use of biological control* techniques, are also the subject of research.

By helping agriculture to become both more productive and better equipped to face tomorrow's climatic and environmental challenges, Vilmorin & Cie will contribute to the development of sustainable and competitive agricultural models that can contribute to meeting food challenges. The specific features of Vilmorin & Cie's development model, as well as the areas of research & development, are presented in detail in paragraph 1.7. on page 53.

5.2.2.1. SUPPORTING THE EVOLUTION OF DIFFERENT AGRICULTURAL MODELS FOR BETTER FARM PERFORMANCE AND A MORE SUSTAINABLE WORLD

Agriculture does not follow a single model, but covers a multitude of local situations depending on soil and climate conditions, the ability to access modern production factors (mechanization, seeds, fertilizers, plant health products), the use of agricultural production, etc. All these factors combine to create different production systems that individually contribute to meeting global food needs. Vilmorin & Cie's objective is to best meet the needs of its farmer and vegetable grower customers, regardless of their geographical location and production system. Vilmorin & Cie endorses the vision of the International Seed Federation (ISF) *"We, the actors of the private seed sector, representing its diversity, acting as individuals or as representatives of co-operatives, family-, small-, medium sized- or multinational companies, based around the world, are committed to a future where enough*

(1) Source: UN | Department of Economic and Social Affairs | Population Division 2022.

(2) Source: FAO. Food report 2019. IFPRI 2018.

affordable, safe and nutritious food is produced for all without compromising the economies, societies or environments of future generations."

Vilmorin & Cie considers that genetic improvement and plant breeding* are the foundations of sustainable agricultural performance aimed at producing more with fewer inputs* (energy, plant treatment products, fertilizers, water, etc.). By providing the seed with qualities that allow it to better adapt to its environment and to be productive, genetic improvement combines a high return on investment for producers with a lower impact on the environment.

Seed innovations also have a direct or indirect impact on the evolution of agricultural production systems and their sustainability. These developments must be analyzed in a comprehensive and systemic fashion. Thus, as part of its CSR program, Vilmorin & Cie has chosen to complete its approach to markets by taking into account the positive impact of its products on production systems. Beyond simply responding to market demand, Vilmorin & Cie intends to evaluate the impact of its products, no longer in isolation, but by taking into account the production system as a whole, and to consider areas of work, which until now have been neglected, with a view to potential benefits for certain types of agriculture that have not been taken into account until now.

PROVIDING SOLUTIONS TO THE DIGITALIZATION OF CERTAIN AGRICULTURAL SYSTEMS

The development of digital technology is having a strong impact on plant breeding* and is also changing agriculture in certain regions of the world, leading to the development of decision support tools. The Business Unit Limagrain Europe is developing its Agrility platform, which now offers 4 operational services.

- Agrility DENSITY provides maps to better modulate the intra-plot seeding density of grain and silage corn and to optimize the distribution of the plants according to the soil potential.
- Agrility VEGETATION provides biomass monitoring for any field crop during the season using satellite images. Thanks to this service, farmers will be able to better see the impact of their growing practices or the climate on their plots and take corrective actions.
- Agrility YIELD estimates, for a plot, the yield of silage corn. Thus, farmers will be able to better estimate the quantity of forage available for their herd and anticipate the necessary purchases to complete, if needed, at the best price.
- Agrility HARVEST estimates the recommended harvest date for silage corn. It is a way for farmers to better anticipate their optimal harvest date and to plan their harvest operations.

Over the fiscal year, farmers in eight countries were able to benefit from these services. Limagrain Europe is also in a "test" phase in France, Italy and Poland, introducing farmers to these same services by sending them frequent reports from these decision support tools.

5.2.2.2. DEVELOPING PLANT SOLUTIONS WITH IMPROVED AGRONOMIC AND ENVIRONMENTAL PERFORMANCES

As a seed company, Vilmorin & Cie's major contribution is to improve the adaptability of crops to their environment. Thus, the work of the Company's breeders* aims to adjust the varieties grown with the utmost responsiveness to changes in agricultural ecosystems and their constraints (climate, soil quality, etc.).

Plant breeding* must first of all improve the agronomic qualities of the varieties (yield, resistance to diseases and insects, adaptation to different climates and territories, resource-saving properties such as for water or nutrients), but also the nutritional and sanitary qualities of the plants during their cultivation.

These improved agronomic performances contribute both to the economic viability of farms and to the environmental performance of their crops.

In 2021-2022, Vilmorin & Cie launched 442 new varieties, including 372 in vegetable seeds and 70 in field seeds. In total, Vilmorin & Cie distributes around 6,000 varieties throughout the world.

To create all these new varieties, breeding technologies must also be the focus of research and innovation for the improvement of:

- genetic variability through the broadening of genetic resources* and related technologies,
- data management (image analysis, genome* sequencing analysis, biostatistics, high throughput phenotyping) with the main objective of reducing the time needed to create a new commercial variety.

As proof of the excellence of the Company's breeding programs* and teams, the April 2022 issue of the magazine European Seed identified two of the Company's innovations among the 20 "most climate friendly" in Europe in 2021, including *Dharma* from HM.CLAUSE, first summer squash variety resistant to the insect-borne New Delhi virus. Thanks to this new genetic resistance, HM.CLAUSE has enabled growers to considerably limit the use of pesticides. Launched in the summer of 2021 in Spain, *Dharma* will soon be launched in Italy.

Another innovation from Vilmorin-Mikado, which also launched a first disease-resistant variety: Montvert flageolet. Tolerant to sclerotinia, this variety, which has been marketed with growing success for 3 years, makes it possible to greatly reduce the use of fungicides during cultivation and offers growers the possibility of moving towards a "zero pesticide residue" flageolet.

5.2.2.3. SATISFYING THE EXPECTATIONS OF EACH CUSTOMER THROUGHOUT THE WORLD AND PROMOTING ACCESS TO QUALITY SEEDS

Seed, which is Vilmorin & Cie's core business, is the basis of all plant food production. It is therefore legitimate for the Company to strive, day after day, to adapt to the diverse food needs of consumers around the world. At the same time, offering safe and high-quality products is one of the Vilmorin & Cie's priority objectives.

In order to offer varieties adapted to the expectations of its customers, Vilmorin & Cie integrates the needs of producers and the entire agri-food chain from the very beginning of its research programs, thanks to very close and permanent links between breeders* and local teams dedicated to product development or sales. For Vilmorin & Cie, close proximity to markets is essential; it is reflected in particular in its organization into Business Units.

In turn, agronomic innovation aims to improve agricultural practices through the development of efficient and pragmatic solutions that are easy for farmers to use. By putting innovation at the service of farmers, agriculture will be better prepared for climate and environmental challenges, more productive and in line with society's expectations. Vilmorin & Cie's close relationship with its customers enables it to be attentive to the needs of producers, farmers and vegetable growers. In addition to high-performance seeds, the Company provides them with agronomic expertise, innovative tools and tailor-made support to enhance the full genetic potential of the seed.

Faced with climate change and the risk of water stress, Limagrain Europe launched the Hydraneo service offer a few years ago. Hydraneo is an innovative, global approach to securing corn yields in conditions of water stress, combining a global diagnosis of the risk on the scale of the farm, a recommendation for varieties and agronomic advice. Deployed in 17 European countries where thousands of farmers benefit from these personalized services, Hydraneo is one of the 20 "most climate-friendly" innovations of 2021 selected by the magazine European Seed in April 2022.

Meeting customer expectations also involves technical improvements to the product. In the field of tree seeds, Vilmorin-Mikado now sells dewinged Atlas cedar⁽¹⁾ (*Cedrus atlantica*) seeds. The result of the Business Unit's research into processes, these seeds, from which the wings have been removed, can be sorted and improved, increasing their germination capacity from 50 to 90%. Sowing, which was previously done manually, can now be done mechanically. This is a real benefit for nurseries, whose work is greatly simplified and who benefit from a much higher "seed/plant" ratio.

For Vilmorin & Cie, access to seeds for small producers is crucial. Indeed, the complementarity of all forms of agriculture is the only way to meet agricultural challenges, and access to quality seeds for all farmers is a guarantee of improved food supply, especially for subsistence farming.

To meet this demand, the first condition is the availability of seeds in suitable volumes. Limagrain Zaad South Africa and Vilmorin-Mikado in the Great Lakes region of Africa have local partners capable of proposing adapted packaging, for example 1,000 seeds for vegetable seeds instead of the usual 100,000. Technical support is the second condition. Vilmorin-Mikado supplied six seed drills in Africa for setting up trial platforms, which demonstrate the increase in yield that can be achieved by combining high-performance genetics with changes in growing practices. Around 20,000 small farmers have been involved. Vilmorin-Mikado is also working in a region of Kenya with agricultural supply stores and is training them to advise small producers on growing tomato, pepper and carrot.

As training in modern growing techniques is essential, Limagrain Zaad South Africa also supports the organization Harry Gwala Agri, which trains smallholding farmers. Similarly, for the last 10 years Vilmorin & Cie has been supporting the action of the NGO Fair Planet in Ethiopia, which aims to select, from among high-performance varieties, those that are best adapted to local growing conditions. In addition, Fair Planet is committed to training Ethiopian farmers in the most suitable production techniques, with the aim of having them pass on these techniques to their communities. Thus, Fair Planet estimates that 75,000 small farmers have directly or indirectly benefited from its action. The improvement of the production of these farmers often allows them to move from a totally subsistence agriculture to a partially marketable production. This source of income improves the living conditions of the farmers and often also opens access to education for their children.

5.2.3. PROTECTING AND ENRICHING PLANT BIODIVERSITY

Plant breeding* is at the crossroads of improving the competitiveness of agriculture and global environmental issues such as climate change, the increasing scarcity of resources such as arable land and water, food security, societal expectations for input* reduction (fertilizers, plant healthcare products, etc.). To meet these challenges, solutions will be found in existing biodiversity, which offers, through its crossbreeding, the ability to create new varieties with improved performances. The greater the genetic diversity, the greater the possibilities. Protecting and enriching biodiversity are therefore essential missions for any seed company, in order to maintain its ability to offer new varieties adapted to the diversity of markets.

5.2.3.1. PRESERVING AN ENVIRONMENT THAT IS FAVORABLE TO PLANT BREEDING

Plant breeding* requires time and technologies that are constantly evolving, and access to genetic resources* (this information is presented in detail in paragraph 1.3.2., on page 26).

(1) Winged seeds are those made up of the seed itself and a very fine and dry wing, which allows their dispersion by the wind.

Vilmorin & Cie therefore pays particular attention to the right balance between free access to sources of genetic variability and the protection of the rights of the creators of new varieties, an essential source of research funding. Research is without question a vector of innovation for the pursuit of plant improvement, and at the same time, access to the widest possible genetic variability is also a necessary condition for the overall advancement of varietal progress in line with market expectations. The risks related to intellectual property protection, in particular with regard to plant breeding*, are described in detail in paragraph 2.2.2.9., on page 87.

In this particular context, Vilmorin & Cie, while taking care to protect its legitimate interests as a breeder*, contributes to the biodiversity of cultivated varieties through the availability of its commercial varieties as a basis for research and plant breeding* according to the principle of the breeder's* exemption. This is contained in the sui generis system of intellectual property protection specific to seeds, the Plant Variety Protection Certificate (PVPC), as implemented under the terms of the International Union for the Protection of New Varieties of Plants (UPOV) Convention. When the competitive and economic context in a country imposes the need to protect its commercial varieties by patent, Vilmorin & Cie respects its founding principles by always being ready to grant licenses to use its varieties as a source of genetic variability. Also, concerning varieties with patented traits, Vilmorin & Cie is a member of the "International Licensing Platform" (ILP) for the licensing of patented traits in vegetable seeds, and is taking part in negotiations to create a platform dedicated to field crops.

Furthermore, Vilmorin & Cie plays a decisive role in the initiatives taken by professional organizations, such as Euroseeds and the International Seed Federation (ISF), to discuss the evolution of the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) and the Multilateral System (MLS) which complements it. It supports the extension of the Treaty to all plant genetic resources for food and agriculture and systems that are applicable and do not block the use of genetic resources*.

5.2.3.2. PRESERVING AND ENRICHING CULTIVATED BIODIVERSITY

The genetic diversity of plants, contained in what are commonly referred to as genetic resources*, has always been at the root of any improvement process since the domestication of agricultural species and their maintenance by local communities. The improvement work subsequently undertaken by scientists is based on this diversity. Vilmorin & Cie's researchers therefore need these genetic resources* to contribute to improving food production in terms of quality and quantity. Biodiversity is one of the most important resources on the planet to meet the needs of agriculture and food. In this respect, Vilmorin & Cie attaches particular importance to respecting the rules governing this access to genetic resources*, in application of the Convention on Biological Diversity (CBD) and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA).

Vilmorin & Cie's work on the preservation and enrichment of cultivated biodiversity thus contributes to food security and nutritional diversification.

CONSERVATION MEASURES

To preserve this source of diversity, Vilmorin & Cie invested in the conservation of plant biodiversity by contributing to the activities of gene banks. Its contribution is primarily non-financial: it concerns the provision of germplasm through certain national collections and by collaborating in the maintenance of the collections. Vilmorin & Cie also contributes financially to the activity of some of these banks, by co-financing collections *in situ*.

Finally, during fiscal year 2020-2021, Vilmorin & Cie formalized its support for the international organization Global Crop Diversity Trust (known as the Crop Trust), and undertook to provide it with financial support over a 3-year period for a total of 50,000 euros per year. Created in 2004 by the United Nations Food and Agriculture Organization (FAO) and Biodiversity International, the Crop Trust acts within the framework of the ITPGRFA to ensure the conservation and availability of crop diversity in gene banks for global food security. The Crop Trust, in collaboration with the Norwegian government and NordGen, manages and funds the work of the Svalbard Global Seed Vault in Norway: a safe and secure repository for seed collections from all over the world.

ENRICHMENT INITIATIVES THROUGH PLANT BREEDING

There are two main sources of biodiversity for plant breeding*: the pool of genetic variability of the cultivated species (i.e. all the varieties of the same species) and the genetic resources* of related wild species. In order to constantly enrich the range of varieties available to farmers all over the world, Vilmorin & Cie invests considerably in prebreeding, i.e. identifying the traits* of interest present in wild genetic resources* and then introducing these traits into its commercial varieties. The effort to characterize genetic resources* is mainly carried out in collaboration with gene banks all around the world. In this way, Vilmorin & Cie contributes to identifying, for the benefit of all, traits of interest, such as disease resistances, in the wild genetic resources* of gene banks and thus to enabling the effective use of these resources in breeding*. The budget for characterizing genetic resources* is close to 2.5 million euros per year, often through participation in collaborative projects with gene banks, research institutes and other seed companies. Vilmorin & Cie then introduces in-house the new traits from these genetic resources* into its varieties by cross-breeding. They are therefore enriched by this new genetic diversity that corresponds to societal issues and/or the needs of the players in the value chain from farmer to consumer. In this way, each new variety on the market brings an improvement and can be distinguished from those already sold, thus contributing to the expansion of the biodiversity of cultivated species. By launching several hundred new varieties on the market every year and maintaining several thousand, Vilmorin & Cie actively participates in the conservation and development of the biodiversity of a large number of plant species.

VILMORIN & CIE SUPPORTS THE CONSERVATION OF GENETIC RESOURCES* IN GHANA

In fiscal year 2021-2022, Vilmorin & Cie signed an agreement with the Ghanaian gene bank for support of 50,000 euros per year over two years. This agreement is a new step in favor of plant biodiversity, which supplements the Company's commitment to the Crop Trust.

This agreement covers the collection, characterization and conservation of germplasm of tomato, bell pepper, eggplant, corn and rice in Ghana. Indeed, this country is known to have potentially interesting germplasm. In the first year, CSIR-PGRRI (Council for Scientific and Industrial Research - Plant Genetic Resources Research Institute) will collect genetic resources* from all regions of the country; in the second year, the morphological and agronomic traits of the collected germplasm will be evaluated in the field to obtain useful information for breeders* and other stakeholders, particularly in terms of yield and quality. The data, entered into the CSIR-PGRRI data management system, will be made available in international public databases such as Grin-Global and Genesys.

All the genetic resources* will be multiplied, conserved and made accessible to breeders* and researchers from private or public structures, who will be able to use them in their breeding programs.

VILMORIN MIKADO TO THE RESCUE OF GENETIC RESOURCES* FOR BEANS

Fifteen years after receiving the genetic resources* of dwarf beans from INRAe to ensure their sustainability, Vilmorin-Mikado returned them to GEVES in December 2021 to supply the French national network of genetic resources*. In the meantime, the accessions – more than 600 of them – have been multiplied, conserved in optimal conditions and described with precision; proof of the essential role played by a seed company like Vilmorin-Mikado in the preservation of the biodiversity of cultivated crops.

5.2.4. NURTURING SOCIETAL DIALOGUE ON SEED ISSUES

Developments in science and agriculture are now the subject of debate, amplified by social networks. Many organizations are questioning the progress made over the last few decades in these two fields. This is particularly true in developed countries, and in France in particular, Vilmorin & Cie's country of origin, where the protests are most intense. Seeds, at the crossroads between

science and agriculture, but also between food and nature, are the subject of many debates and disputes on subjects such as intellectual property, product quality, biodiversity, breeding techniques*, etc. In this respect, the risks linked to reputation or image are presented in detail in paragraph 2.2.3.1. on page 78.

5.2.4.1. CONTRIBUTING TO THE PUBLIC DEBATE ON SEED ISSUES

For instance, Vilmorin & Cie has been, and continues to be, at the forefront of debates related to intellectual property for plants. Vilmorin & Cie believes in the need to protect intellectual property without confiscating the use of the invention for the development of other innovations. As far as plants are concerned, creating new varieties cannot be achieved without having access to already existing plant varieties: so it is essential for breeders* to have access to the genetic resources* of all varieties, old and new. In this respect Vilmorin & Cie made a decisive contribution to two legal decisions of major importance: the recognition of the breeder's exemption* in European patent law and the non-patentability of essentially biological processes.

5.2.4.2. CONTRIBUTING TO THE REPRESENTATION OF THE PROFESSION

In all activities, professional associations and inter-professional organizations play a decisive role as intermediaries with the stakeholders of their profession, whether they are states and political authorities, the media or non-governmental organizations (NGOs). They are called upon to summarize the opinions of their members and to defend their points of view in all debates related to their professions.

In this context, Vilmorin & Cie is very involved in professional seed organizations, both at national level – with SEMAE, the French Interprofessional Organization for Seeds and Plants and the Union Française des Semenciers (UFS), at European level – via Euroseeds – and international – through the International Seed Federation (ISF). As such, it actively participates in debates on the seed profession: industrial property, access to genetic resources* and the use of plant biotechnologies* in the field of scientific research in particular.

Given the diversity of Vilmorin & Cie's activities and its presence in many countries, employee participation in the work of local professional organizations requires monitoring and coordination. In order to ensure consistent communication, the Regulatory Affairs Department is responsible for informing stakeholders around the world and ensuring that the various contributions are coherent. More than 270 employees are currently involved on all continents.

5.2.5. PROPOSING SAFE AND HIGH-QUALITY PRODUCTS

To ensure a reliable level of traceability, from research to production and distribution, Vilmorin & Cie sets up quality management systems in compliance with the highest European and international standards. These tools are part of a continuous improvement process, the implementation and scope of which progress each year towards operational excellence.

5.2.5.1. QUALITY MANAGEMENT

The notion of “certified seeds” guarantees the quality of the seeds in terms of varietal purity and germination rate to the farmer or vegetable producer who buys them. The internal quality management systems that have been set up, as well as the external certifications that have been obtained and regularly renewed (ISO 9001, GSPP, NAL, ETS, etc.), guarantee the regulatory conformity and quality of the seeds sold, and consequently the satisfaction of Vilmorin & Cie’s customers. In 2021-2022, 97.8% of the sales of companies with an industrial site will be covered by a quality management system, and 91.2% of the sales in the same scope are covered by quality certification such as ISO 9001, GSPP, NAL, etc.

The risks related to product quality are described in detail in paragraph 2.2.4.1., on page 80.

97.8%
of the sales of companies
with an industrial site
covered by quality
certification.

5.2.5.2. FOOD SECURITY

Seed is the first factor of production for all farmers. It contains their promise of agricultural production, which will either be directly consumed or processed, for example into ingredients. With the exception of crops grown for energy production or soil protection/regeneration - which remain limited globally - seed therefore plays a decisive role in food, in which it is the first link. It is therefore crucial to ensure food security today and especially tomorrow.

Vilmorin & Cie’s research aims to contribute to the improvement of food production, in quality and quantity, through the creation of varieties with improved characteristics. These contribute to a more responsible, equitable and sustainable food supply and participate in the fight against food insecurity.

5.2.5.3. COMMITMENT TO THE CIRCULAR ECONOMY

As a seed company, Vilmorin & Cie does not market food products. However, through its research & development activities, particularly in vegetable seeds, the company does produce vegetables, either for seed production, or for experimentation and product development. In both cases, Vilmorin & Cie ensures that these products are recycled, either by recovering its vegetable waste, or by donating quality vegetable products to food banks or social structures that can help the most disadvantaged. The actions implemented fall within the scope of waste management policies (see 5.3.4.3) or societal commitments (see 5.4.3.2).

5.2.5.4. ENSURING ANIMAL WELFARE

Vilmorin & Cie has no other activities than those related to plants. The company is therefore not directly concerned by the issues of animal welfare, and has therefore not set up any specific actions concerning this problem.

5.3. ACTING RESPONSIBLY

5.3.1. THE CONTEXT AND THE ISSUES

To develop in France and internationally, Vilmorin & Cie operates responsibly, respecting all the players in its environment, including the men and women of its organization, its Shareholders, its customers, its suppliers, not to mention associations, politicians, as well as end consumers and civil society.

Underpinned by the values of progress, perseverance and cooperation, Vilmorin & Cie's human resources policy is also based on its management principles – empowerment, collaboration and respect – as well as on fundamental commitments: respect for human rights, health and safety in the workplace, as well as quality social dialogue. These principles guide the behavior of employees and govern decisions in a long-term perspective. Vilmorin & Cie's human resources policy is also based on a number of key areas, the most important of which are internationalization, attractiveness and loyalty, leadership, mobility, as well as diversity and inclusion. Vilmorin & Cie thus aims to encourage the professional fulfillment and commitment of all its employees in order to lead the Company towards responsible development.

At the same time, Vilmorin & Cie ensures it develops the talents of all those who want to be part of this adventure, to anticipate and meet human resources needs, in line with the group's values and strategic orientations.

The Company is aware of the environmental challenges in a context of limited arable land and natural resources. To help meet these challenges, the teams work every day to strive for operational excellence to leave a positive footprint on the activities in the areas where Vilmorin & Cie operates, thanks to its efforts in research and plant breeding*, and targeted initiatives that aim to reduce the impact of its business on the environment.

The fundamental themes of the Global Compact – Human Rights, International Labor Standards, Environment and Anti-Corruption – are at the heart of Vilmorin & Cie's commitments in terms of business ethics, human resources management and environmental protection.

All these themes are dealt with in the "Ethical Principles and Code of Conduct" of Limagrain, the parent company and reference Shareholder of Vilmorin & Cie. This document defines the commitments and rules of conduct that the Group aspires to respect in this area in all its activities and in all the areas where it operates.

5.3.2. FOSTERING THE PROFESSIONAL FULFILMENT OF EMPLOYEE

Developing the employees who make up the company is key to their commitment, indispensable for ensuring the continuity of activities over time, and crucial for the enrichment of skills, more widely in society. It is this human capital that Vilmorin & Cie intends to develop to enable all of its employees to contribute to the development of the Company and to fulfill themselves in their work.

The organization of Vilmorin & Cie's Human Resources

In order to rise to the Group's strategic challenges, the group Human Resources Department defines and steers the group's HR strategy. It implements group HR policies with a view to developing a common culture based on the group's values and management principles, and to fostering the development and the fulfillment of employees. The Group's HR strategy is implemented by the Business Unit HR Departments according to the specific challenges of each business and local conditions.

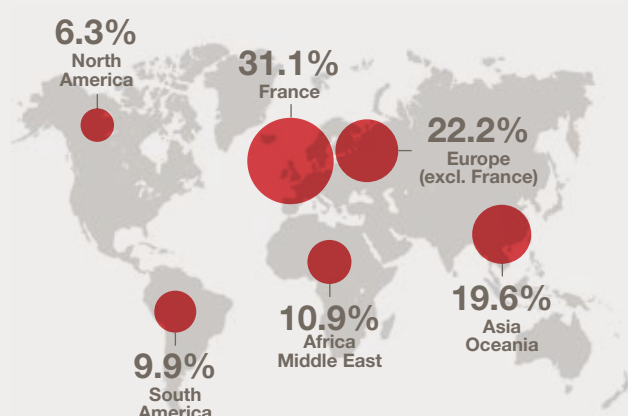
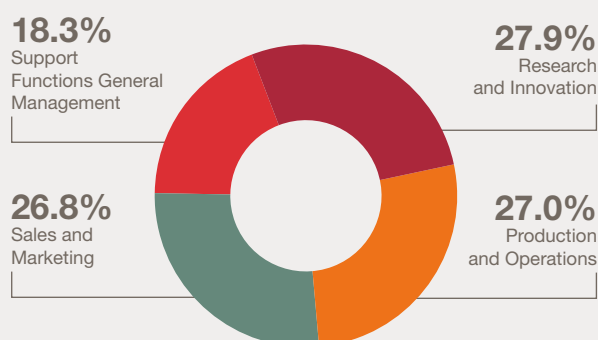
In order to meet the group's strategic challenges, the group Human Resources Department leads cross-functional projects and provides support and expertise to the Business Units. In particular, it manages the following topics:

- international mobility,
- compensation and benefits policies and practices,
- processes and digital tools,
- talent development,
- the employer brand,
- managing the community of the group's Top Executives and Executive Managers.

Vilmorin & Cie employees

Permanent headcount

Vilmorin & Cie has a permanent headcount of 7,254 up 2.3% compared to last year. With a wealth of 78 different nationalities, the permanent headcount can be analyzed by professional profile and geographical region as follows:

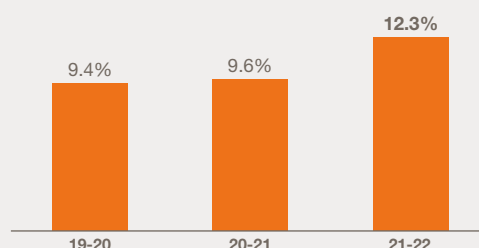


Recruitments/Departures

Over fiscal year 2021-2022, 927 people were hired, compared with 800 in 2020-2021, including 287 temporary positions made permanent. Out of the total number of new hires excluding such positions, 45.2% are managers (i.e. 289 new hires) and 20.3% young people under the age of 26.

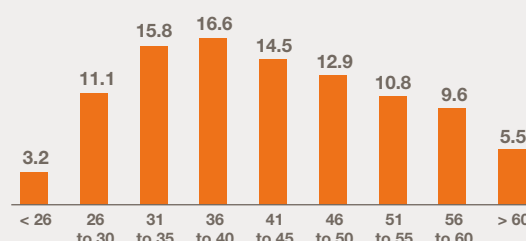
Furthermore, 856 employees left Vilmorin & Cie during the course of fiscal year 2021-2022, compared to 732 the previous year.

Consequently, in 2021-2022, staff turnover increased to 12.3%, as opposed to 9.6% in 2020-2021:



Age pyramid

(as a %)

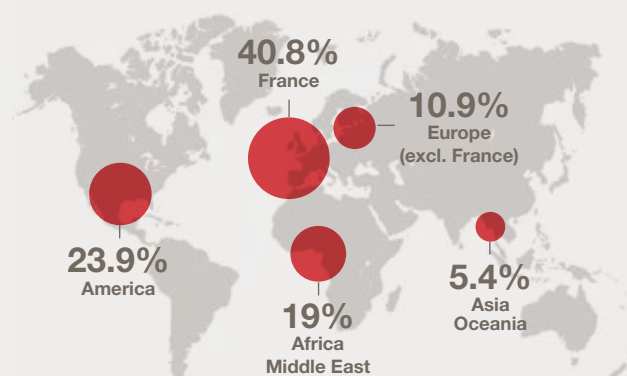
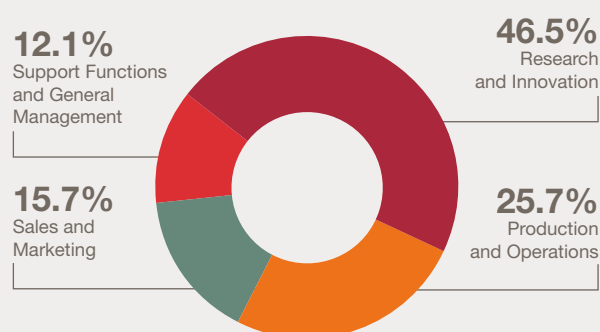


The age pyramid is overall balanced. In line with previous years, it should be noted that the 31-35 and 36-40 age groups are almost equally numerous, representing around one third of the total workforce. This therefore constitutes an important pool for succession plans for older employees. Vilmorin & Cie aims to increase the proportion of young people under 30 in the company.

Interns

The number of interns increased significantly in fiscal year 2021-2022, particularly in sales and marketing functions. A total of 331 interns were taken on, compared to 284 in 2020-2021. The previous two fiscal years had been marked by the health crisis and a decline in the number of interns, as the situation meant it was not possible to take them on in satisfactory and safe conditions.

The professional profiles and geographical regions of interns can be analyzed as follows:



5.3.2.1. HEALTH AND SAFETY

THE HEALTH AND SAFETY POLICY AT WORK

Vilmorin & Cie is convinced that there can be no sustainable successful performance without safety. As a result, a workplace safety policy, based on strong management involvement, has been implemented. Its objective is to act both on the organization and on behaviors, which are the main cause of accidents. A Group Safety Committee oversees the running of this policy, relayed by a safety coordinator.

The Business Units are also responsible for running this policy internally, involving closely all heads of departments and safety experts, passing on information through internal communication, stimulating managerial involvement and motivating all levels of line management, training all the employees, assessing risks and defining the norms and standards that reduce them, following the indicators used to steer the safety policy, analyzing accidents whatever their severity, and drawing all conclusions from each failure in this matter.

To measure its safety policy⁽¹⁾, Vilmorin & Cie monitors:

- the frequency rate of accidents with and without work stoppage (FR2), i.e. the total number of reported accidents per million hours worked,
- the frequency rate of accidents with work stoppage (FR1), i.e. the number of accidents reported with work stoppage per million hours worked,
- the severity rate (SR), the number of days of work stoppage reported following a work accident per thousand hours worked.

	19-20	20-21	21-22
FR2	8.45	7.04	6.53
FR1	4.44	4.16	4.43
SR	0.13	0.13	0.12

Vilmorin & Cie has set itself the objective of reducing its FR2 to 4 accidents per million hours worked by the end of December 2026. In order to achieve this, a prevention program is being deployed, focusing on the development and harmonization of a safety culture, the strengthening of the managerial approach to safety and the professionalization of practices. To carry out this ambitious program, Vilmorin & Cie has called on the expertise of the operational management consultancy dss+.

Since 2018, the Group has been defining new, more demanding standards to improve the level of control of its most critical risks, particularly chemical risks, and deploying them by training managers on site and coaching safety coordinators.

In addition, training programs devoted to health and safety continued in 2021-2022 and represented more than a quarter of the training hours provided by Vilmorin & Cie.

Vilmorin & Cie has also committed itself to a five-year prevention and protection plan for all its sites with regard to the safety of goods, in order to reduce both the frequency and the impact of events such as fires, explosions, natural disasters or theft.

This plan includes:

- A preventive component including, in particular, the improvement of procedures, intervention plans, detection means and the development of a risk culture at each site (supervision of work involving hot spots, storage rules, fire detection, automatic gas cut-off, business continuity plans, etc.).
- A protection component with significant investments dedicated, for example, to the installation of automatic sprinklers⁽²⁾ and the upgrading of explosion protection equipment.

Safety, an overriding goal for Top Executives and Executive Managers beginning in 2022-2023

Vilmorin & Cie is changing the scheme for the variable part of the compensation of its Top Managers and Executive Managers.

Accordingly, starting in fiscal year 2022-2023, collective non-financial objectives will be included in the variable pay scheme for the Group's Top Executives and Executive Managers. The objectives selected include a safety objective.

Through this choice, Vilmorin & Cie is confirming the strategic importance of this subject for the Company.

PROMOTING PHYSICAL AND SPORTS ACTIVITIES

Vilmorin & Cie is convinced that encouraging its employees to take part in joint sports activities is a great opportunity to promote their well-being at work, while encouraging meetings and cooperation between departments and teams. It is with this aim in mind that, at the instigation of the Group's General Management, a sports association specific to Limagrain will be launched in Auvergne, where Vilmorin & Cie's administrative headquarters are located, during fiscal year 2022-2023.

In addition, for many years, various sports activities have been offered to employees at Vilmorin & Cie's headquarters, in particular during lunch breaks, and premises have been made available for this purpose.

Several of the group's Business Units also encourage their employees to take part in physical activities and sports. For example, Limagrain Europe has set up the "yogist" method for its employees, the aim of the sessions on offer also being

(1) Safety reporting covers all employees who have direct employment contracts (permanent contracts, fixed-term contracts, seasonal contracts, trainee contracts, apprenticeship contracts) with subsidiaries in which Vilmorin & Cie holds more than 50% of the capital stock. Temporary workers and service providers are therefore excluded from this reporting.

(2) A sprinkler is a fixed automatic water extinguishing system.

to prevent stress. Similarly, Vilmorin Jardin provides its employees with a gym. The Business Unit also makes use of the services of physiotherapists to limit the occurrence of musculoskeletal disorders and to improve ergonomics at the work station.

Finally, Limagrain, the parent company and reference Shareholder of Vilmorin & Cie, participated in the creation of the foundation ASM IMPULSION AUVERGNE during the course of fiscal year 2021-2022.

The aim of this foundation is to promote the benefits of sport in all its human dimensions, and to help run societal projects that benefit the vitality of the region.

OCCUPATIONAL DISEASES

In fiscal year 2021-2022, two employees from Vilmorin & Cie were recognized as suffering from an occupational disease in France.

In order to fight against the risks of occupational diseases, in a certain number of countries Vilmorin & Cie requires that when its employees are recruited, they should have a medical examination, and strives to improve working conditions notably through managerial safety visits. In France, employees who are exposed to particular risks such as noise, handling heavy loads, hazardous chemical products, etc. have a compulsory annual medical. The other employees also have a medical at least every five years. The aim of this medical examination is to ensure that employees are apt for their job health-wise. The Company is working on structuring this issue in line with regulations on the monitoring of difficult working conditions, through the French "Single Occupational Risk Assessment Document." Training and awareness-raising initiatives have been carried out on other factors such as psychosocial risks, and a 24/7 hotline has been set up for all employees in France.

ABSENTEEISM

Absenteeism is defined as being all the working days where staff are absent for reasons other than paid holidays, time in lieu, training courses, and union representation. In 2021-2022, the global absenteeism rate was 6.4%. It was 4.8% for managers and 7.3% for non-managers.

Risks related to safety are presented in detail in paragraph 2.2.5.1., on page 84.

5.3.2.2. THE QUALITY OF LIFE AT WORK

The performance and motivation of an employee depends in particular on a satisfactory organization and quality of life at work. Management of this quality of life at work is built upon several pillars:

- a safe working environment (also described in paragraph 5.3.2.1., on page 142) and conducive to the realization of one's professional activities,
- organization that allows for a good balance between work and private life (see below),
- and the practice of constructive social dialogue between employees and employer, or between staff representatives and employer (this aspect is developed in paragraph 5.3.2.3., on page 144).

RECONCILING PROFESSIONAL AND PRIVATE LIFE

In 2012, and then in 2017, in France, the group signed a Professional Equality agreement including a specific section on creating a good balance between professional life and private life. This agreement expired in the spring of 2022 and is currently being renegotiated.

- In order to accompany the employee better when family-related leave is taken, pre- and post-leave interviews have been set up.
- Various measures have also been planned to reorganize working hours, with special efforts being made, particularly with regard to working hours and taking into account employees with difficult family situations.
- The group also introduced innovative benefits in its new welfare scheme in France, applicable from July 1, 2021, such as additional compensation for employees helping relatives in vulnerable situations. Under certain conditions, all group employees in France may apply for leave to be a caregiver, family solidarity leave or parental presence leave, with the payment of supplementary pay.

In some Business Units, the range of services on offer (crèche, company restaurant, sports activities) facilitates a better balance between professional and private life and makes it possible to meet the growing expectations of employees in terms of physical well-being, time balance and management of their family responsibilities.

In France, teleworking, which also makes it possible to reconcile private and professional life, had been set up in most of Vilmorin & Cie's companies before the health crisis.

During fiscal years 2020-2021 and 2021-2022, the Human Resources Departments of all the Business Units conducted a review of teleworking, its impacts, opportunities and related risks. This approach has resulted in changes to the rules on teleworking, taking into account the lessons learned from the health crisis. Thus, for some companies, access to teleworking has changed (eligible jobs, number of days, etc.) through agreements or guidelines, opening up wider and more flexible access to this system.

Working times

On account of the different geographical locations of Vilmorin & Cie, the effective working times in its subsidiaries can vary, depending on the country.

On June 30, 2022, out of a total headcount of 2,254 employees in France, 170 employees were working part time, a total of 7.5% of the personnel.

5.3.2.3. SOCIAL DIALOGUE

Vilmorin & Cie has chosen constructive social dialogue with its social partners and favors collective bargaining for the process of implementing working life rules.

GROUP NEGOTIATION

Group agreements promote a common policy between the Business Units and equity between the employees of Vilmorin & Cie.

In fiscal year 2021-2022, two new agreements were negotiated at group level:

- For the first time, an agreement aimed at establishing a minimum base for all employees in France in terms of complementary pension schemes was signed with the social partners. This agreement also provides an opportunity to implement the PACTE law at group level by setting up a single pension savings scheme combining the former PERCO scheme and the complementary pension schemes. This new scheme will come into effect on January 1, 2023.
- Since 2016 Vilmorin & Cie has had a group profit-sharing agreement offering all the group's employees an identical scheme. This agreement, which runs for a duration of 3 years, was renewed again in June 2022. The group decided to extend the application of this agreement, which is based purely on French law, proactively to all group employees worldwide.

As a follow-up to the group agreements, company agreements are also negotiated, with the aim of taking into account the particularities and needs of each company, with social partners directly involved in monitoring the policy defined in their entity.

Over fiscal year 2021-2022, teleworking was the main topic addressed in these negotiations at local level. Other topics of negotiation for the year included employee representation, working hours, professional equality and the prevention of harassment.

THE EUROPEAN WORKS COUNCIL (EWC)

The European Works Council (EWC), representing the different companies in the group, meets twice per year with the objective of providing information to the employees and establishing constructive dialogue with the employee representatives of the European companies. It deals with economic, financial and social questions which are of global interest, going beyond the context of a particular country. It comprises 30 employee representatives from nine countries of the European Union.

In order to assume their role more efficiently on this council, training in finance is delivered to the EWC members during their term of office.

5.3.2.4. ATTRACTIVENESS

Vilmorin & Cie's sustainability is dependent upon its level of performance, particularly in terms of innovation, and is reliant on certain professions, particularly those related to research activities, which require specific expertise. It also runs its business in an extremely competitive and international environment that is conducive, in the context of competition between players, to career opportunities for positions that are specific to the sector. Finally, the location of its operations, which are rarely to be found in major urban centers, can hinder recruitment.

For Vilmorin & Cie, the ability to attract and retain talent is a major challenge; it must also be capable of mitigating the risks of losing or lacking skills in relation to operational needs. Consequently, attractiveness is a topic in its own right in HR strategy.

GROUP EMPLOYER BRAND

In order to increase its visibility and attractiveness, Vilmorin & Cie is continuing to develop its employer brand in conjunction with its parent company and reference Shareholder Limagrain. This highlights Limagrain's strengths, potential, culture and human values through a discourse that is articulated around four pillars:

- origins and love of Mother Earth,
- culture based on a sense of effort and humility,
- vision around collective intelligence,
- and finally la mission of acting at source to create sustainable food.

The employer brand is rolled out to all HR resources and through various initiatives: career space on the website, social media, job boards, school forums, etc.

Involving employees directly, Limagrain's employer brand also aims to express the wealth and success of the Business Units, and to promote the value of the business lines, career paths and their diversity.

In 2021-2022, following on from the previous fiscal year, Vilmorin & Cie strengthened its presence on search engines while optimizing browsing on the site dedicated to recruitment, in order to facilitate access to offers and information about the group.

ACTIONS IN FAVOR OF RECRUITMENT

To support its development, Vilmorin & Cie needs young talent. In order to increase its visibility, and to publicize the great diversity of its businesses as well as its career opportunities, the Company is strengthening its involvement with schools and universities. To do so, it is developing privileged partnerships with targeted higher education establishments.

During fiscal year 2021-2022, despite the continuation of certain constraints linked to the health context, Vilmorin & Cie's teams had the opportunity to take part in 34 initiatives aimed at students

and young graduates (forums, sponsoring, educational projects, company presentations, etc.), representing a contribution of around 19,000 euros. In addition, financial support of 55,000 euros was provided to the target schools of higher education.

THE APPLICANT/EMPLOYEE EXPERIENCE

A good applicant/employee experience facilitates recruitment, retention and commitment and develops a positive image of the employer brand. Work has been underway for several years to improve the applicant and employee experience by simplifying processes and making HR practices more fluid. For example, during the fiscal year, the application form was reviewed with the aim of simplifying it.

Through its HR Information System, the group has a tool that provides an HR portal for employees and managers to dematerialize the management of the annual appraisal process, recruitment and internal mobility.

Attractiveness in a few key figures

The evolution of applications

In 2021-2022, 1,092 vacant positions were published on the group's intranet site, with 608 permanent positions published externally, 47 fixed-term positions for young graduates and 179 internship and apprenticeship positions. Over fiscal year 2021-2022, an average of 39.3 applications were submitted for each job published.

Presence on social media

For several years the group has communicated on its employer brand on LinkedIn. Every week, several posts are published on presentations of the Business Units, life in the Company, the group's values, portraits of employees presenting their activity, agricultural innovation, vacant positions, etc. Audience on LinkedIn has increased sharply, with 11,828 more followers over the fiscal year. Measurement of the average engagement rate⁽¹⁾ gave a result of 2.57% for LinkedIn.

5.3.2.5. COMPENSATION POLICY AND BENEFITS

Vilmorin & Cie is concerned to develop a fair and motivating compensation system for all its employees seen to be both attractive and competitive. On top of the salary, a set of benefits and mechanisms set out in detail below contribute to overall compensation.

For fiscal year 2021-2022, Vilmorin & Cie's payroll came to 337.5 million euros, an increase of 3.6% compared to 2020-2021.

COMPENSATION POLICY

Vilmorin & Cie offers all its employees a global, differentiated and competitive compensation package. This offer promotes collaboration within the group and recognizes individual contributions to a wider project. It is a global offer based on several compensation components. Compensation is both global in nature to ensure fair treatment and adapted to the local employment context to ensure that it is as close as possible to employees' expectations.

This offer was formalized in a policy for fiscal years 2020-2021 and 2021-2022. It was circulated to the group's Top Executives and Executive Managers and serves as a basis for all the Business Units to formalize their own compensation policies.

BENEFITS

Social protection for its employees is a major issue for Vilmorin & Cie. It is a key factor in attracting and retaining employees, and should also help to promote mobility between Business Units.

Vilmorin & Cie is committed to covering all its employees in terms of health and welfare. The objective is that each employee of Vilmorin & Cie should benefit from at least:

- of a health program at the level of market practices,
- a welfare provision offering at least one year's compensation in the event of death.

A multi-year project to map the existing coverage of all the companies in the consolidation scope was initiated at the end of fiscal year 2021-2022. This work will make it possible to analyze the level of performance of existing health and welfare coverage in relation to the market, and to upgrade it if necessary.

During fiscal year 2021-2022, and in line with previous years, information letters for employees were published regularly to explain the health and welfare benefits and thus enhance the value of the system and make it easier for them to understand.

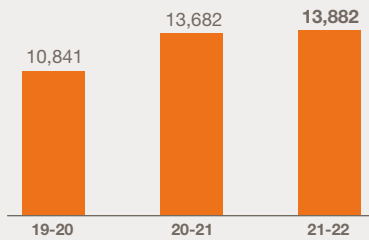
PROFIT-SHARING

The group's profit-sharing scheme illustrates its desire to associate each employee with the results of his or her Business Unit and the group's performance, and thus to reward collective performance.

Profit-sharing, originating in France, and the result of collective negotiation, has now been purposefully extended within the group to companies in other countries, and so to all of the subsidiaries for which Vilmorin & Cie's holds more than 50% of their capital stock. It comprises a company proportion calculated on the basis of the Business Unit's performances, and a group proportion. The calculation is mainly based on a redistribution of the economic income and ensures fair distribution of the amounts paid out to employees, in order to recognize all individual contributions as a factor in the group's success.

(1) The engagement rate is the ratio between the number of people who have seen the publication and those who interact (Like, Share).

Evolution of collective profit-sharing
(in thousands of euros)



EMPLOYEE SAVINGS

A Group Savings Plan (GSP), the operating costs of which are fully borne by Vilmorin & Cie, is available to French employees. It is made up of three funds – two of which are exclusively reserved for them – that involve investment profiles which combine security and performance, with the common goal of offering a return higher than that of the market. Among these funds is a socially responsible solidarity fund, which is endorsed by leading organizations in this field (Finansol and CIES).

A Collective Pensions Savings Plan (PERCO), involving an employer's contribution to accompany employees in their efforts to save for retirement, was implemented in 2011-2012. In France, the entry rights and management fees for this plan, which is interesting from a tax standpoint, are also covered by Vilmorin & Cie.

During fiscal year 2021-2022, discussions led to the transformation of this plan into a Single Retirement Savings Plan (PERU), a provision created by the PACTE law. As of January 1, 2023, this will enable each group employee to combine all retirement savings schemes (former PERCO, complementary pension or individual schemes such as PERP or Madelin) in a single plan.

5.3.2.6. DEVELOPING AND RETAINING TALENT

The performance of Vilmorin & Cie's business relies in particular on its capacity for innovation, international development and management in a multicultural environment. For Vilmorin & Cie, career management, mobility and training are therefore major challenges to avoid the risk of a mismatch between the needs of the business and the skills available. At the heart of HR issues, they provide employees with prospects for development and increased employability.

Employability at Vilmorin & Cie is based on several levers:

- appraisals throughout employee careers,
- career development pathways,
- systematic internal dissemination of job offers, in particular via a digital platform,
- opportunities to stay in another country, including an incentive policy for short stays (between 1 and 6 months) abroad,
- training offers customized to the employees categories concerned, and deployed by the Business Units and by Limagrain Academy, a Corporate structure for skills development.

Additionally, in order to accelerate the career development and mobility of talent within Vilmorin & Cie, a group program is currently being developed. It should be launched during fiscal year 2022-2023.

12.3%

Staff turnover rate

90.1%

Percentage of employees that have benefited from an annual development appraisal

63

Number of employees benefiting from internal mobility

38

Number of mentoring assignments

29 hours

of training on average for each permanent employee trained

CAREER MANAGEMENT

Employee development is a central theme of the group's Human Resources policy. Given the specific organization of the group into Business Units, the group Human Resources function is responsible for promoting knowledge sharing and cross-functionality, and for identifying talent to prepare for the future.

The Human Resources Departments of the Business Units support employees to ensure the success of their career paths. The group Human Resources Department offers personalized development programs for Executive Managers when they take up their positions, whether they are recruited externally or through internal mobility.

Appraisals

- **The annual appraisal:** conducted by the manager, this interview consists in assessing the activities achieved and skills mobilized over the past year. It is also an opportunity to assess the employee's training needs and wishes, and to review his or her professional evolution. The information provided allows Human Resources to build up the training plan, to implement development plans and to prepare career committees to review promising employees and decide on promotions, mobility opportunities and accompaniments. Over fiscal year 2021-2022, 90.1% of employees benefited from a development appraisal, an increase of 2 points compared to last year.
- **The biannual professional interview:** these interviews are initiated by Human Resources every two years. They are conducted by the manager, and are an opportunity to analyze perspectives for professional evolution in terms of qualification and employment.
- **Departure and return to work interviews after a long absence** (maternity or adoption leave, childcare leave, etc.): these interviews are initiated by Human Resources. They are set up for successful transitions before and after these absences, to prepare the return to work, to keep in contact, and to avoid any breakdown in the relationship.

Additional interviews resulting from agreements within the French scope are proposed:

- **The career review:** reviews are organized every six years before the age of 45, then every five years after the age of 45. They are set up and run by Human Resources, and prepared with the manager beforehand. Their objective is to prepare a summary of the employee's professional career.
- **The interview to prepare the end of a career (as of the age of 57):** these interviews are part of the group's Generation Contract and are organized and run by Human Resources for French personnel; they are set up to prepare the final career period, to initiate the procedures necessary to prepare pension files and to organize succession plans.

Talent reviews

Annual talent reviews are organized in all of Vilmorin & Cie's Business Units, and also at group level through career committees. The objectives of this approach are to detect internal talent, encourage internal mobility and promotion, and identify pools of potential managers for key positions, preparing for succession.

The group careers committee focuses on Executive Managers, Top Executives, and high potentials.

MOBILITY

Vilmorin & Cie promotes and develops internal mobility for all its employees. The Company has made internal mobility, whether in terms of geography or function, one of the structuring orientations of its Human Resources policy.

Vilmorin & Cie offers a particularly favorable framework for career development: the diversity of business sectors and professions, along with geographical presence in 49 countries, means that staff can follow individual professional pathways, and Business Units can benefit from a wealth of new skills and experience.

Internal mobility

Accordingly, Vilmorin & Cie has established the rule of publishing all vacancies internally to its employees.

There is a platform for the consultation of internal job offers on the Intranet available to all the group's employees, so that they can play an active role in their own mobility. This platform is also accessible to all trainees, apprentices and employees on fixed term contracts, giving them the possibility to take up opportunities for permanent contracts, but also for internships, sandwich courses or fixed term contracts to supplement their training and their experience. 608 offers with a permanent contract were published this past fiscal year. 179 offers of internships and sandwich courses were disseminated, along with 47 offers of fixed term contracts for young graduates.

In terms of results, 63 employees benefited from internal mobility within Vilmorin & Cie in 2021-2022. The Company also fosters internal promotion by encouraging employees to acquire new skills through training leading to new qualifications or diplomas.

International mobility

Vilmorin & Cie encourages an international dimension to its teams as well as the international exposure of its employees.

As a consequence of Vilmorin & Cie's growing international development, international mobility is a major factor. To encourage mobility, several international mobility policies (long-term, short-term, "Local+" and international colleague) have been defined for all the group, with advantageous conditions and incentives for employees. They pay particular attention to promoting integration in the host country and the return of employees to their country of origin, but also to providing better support and protection for them.

The different measures of accompaniment for long-term mobilities include:

- include intercultural and language training for employees and their families,
- payment of removal expenses, schooling for the children, return trips and rent,
- tax assistance,
- a commitment to reintegrate the employee in the sending country at the end of the expatriation period,
- and a mobility bonus.

As of June 30, 2022, the Company had 81 employees on international mobility, a number that changes throughout the year as expatriations begin and end.

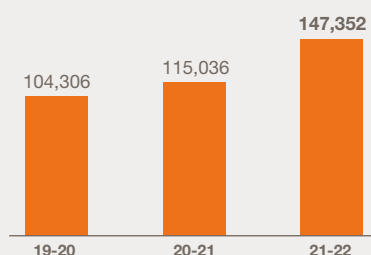
In addition, to supplement international mobility opportunities and allow a larger number of employees to enjoy this experience, short-term missions abroad (less than 6 months) are also offered.

TRAINING

Vilmorin & Cie applies a dynamic policy with regard to training, which represents a tool both for developing skills and for preserving know-how.

In 2021-2022, 147,352 training hours were run in the Company, to 5,106 permanent employees, meaning that 70.4% of Vilmorin & Cie's permanent staff attended at least one training course during the fiscal year.

Evolution of the number of hours of training
(in hours)



During the course of the year, Vilmorin & Cie devoted 2.7 million euros to training for its employees, including the budget for Limagrain Academy. Most of the training hours were split between health and safety (25.5%), improvement of professional skills (20.0%) and management (12.9%).

As for the previous fiscal year, the total number of training hours continued to increase, representing a significant investment and demonstrating the group's commitment to training.

Limagrain Academy: the Corporate organization for skills development

Limagrain Academy, founded in 2013, is structured around four pillars which each targets different populations:

- A cultural pillar whose objectives are to spread the group's culture, develop a sense of belonging, illustrate values and create links between different people. This pillar is intended for all employees.
- A managerial pillar to deploy a shared managerial culture, define a common language and guarantee a certain level of understanding of the international environment. This pillar targets managers.
- A leadership pillar integrating development programs adapted and personalized for Executive Managers and Top Executives.
- A business line pillar whose vocation is to develop reflexes on information sharing and co-development on topics specific to Vilmorin & Cie, and to create a shared expertise base on key business lines in the organization. Business experts are particularly concerned by this pillar.

These courses, the scope of which covers an audience across the various Business Units, depending on the pillars, complement the development programs carried out in the Business Units. They make it possible to cross-reference information specific to the various activities with more global information about the group and to initiate networks for sharing skills.

In 2021-2022, Limagrain Academy pursued its efforts to digitalize and internationalize. 35% of the sessions were held in English and 23% were given in virtual classes compatible with the time zones of the Americas or Asia, outside France.

In total, 35 training sessions were run for the group's employees.

5.3.2.7. DIVERSITY AND INCLUSION

The diversity and inclusion of community members in Vilmorin & Cie is an integral part of the Company's ambition.

"The Group is committed to treating its employees fairly and with an open mind, respecting their dignity and their physical and moral integrity. The Group's employees are therefore recruited without discrimination in terms of gender, age, origin, religion, sexual orientation, physical appearance, health condition, handicap, trade union membership or political opinions."

This extract taken from the Ethical Principles and Code of Conduct is part of the scope of several international texts of which the group shares the principles, in particular the core conventions of the International Labor Organization for combatting discrimination.

It was also behind the formalization of the Group's ambition in terms of diversity and inclusion, carried out during the fiscal year. Vilmorin & Cie's ambition is to promote diversity and inclusion as a source of progress and wealth. The Company has set itself the objective of being recognized for the diversity and inclusion of all its talents, and within which each person can develop their potential while highlighting their uniqueness, thus creating added value for the group.

This ambition rests on three fundamental pillars:

- guaranteeing non-discrimination,
- committing to professional equality between women and men,
- promoting all diversities and in particular cultural and generational diversity.

Fiscal year 2022-2023 will be devoted to drawing up a detailed roadmap to feed into this program, as well as the deployment of several priority measures, in order to boost Vilmorin & Cie's efforts in terms of diversity and inclusion.

Key performance indicators and objectives will also be defined for each area of action. Vilmorin & Cie has already set itself the objective of achieving, by 2026, a share of at least 30% of employees of the under-represented gender among managers and executives, as well as within the Leadership Teams of all its Business Units.

In order to demonstrate the importance it attaches to this subject, Vilmorin & Cie has chosen to include this objective in the new scheme for the variable part of the remuneration of its Top Executives and Executive Managers, as part of the collective non-financial objectives. This scheme will be implemented as from fiscal year 2022-2023.

MEASURES TAKEN TO SUPPORT GENDER EQUALITY

Professional gender equality is a priority in the Company's human resources management and is therefore an integral part of its diversity and inclusion program. Vilmorin & Cie is committed to:

- increasing the Company's gender mix, with a particular focus on management positions,
- and guaranteeing professional gender equality throughout their careers.

Collective agreements have been negotiated in favor of gender equality and initiatives to reduce the gender pay gap have also been implemented.

An agreement was signed in 2012-2013, which was also in response to a new legal obligation in France. Renewed in 2017, this agreement, which involves French companies, concerns objectives and measures in favor of gender equality throughout their professional careers. Recruitment, professional promotion, compensation, balance between professional and

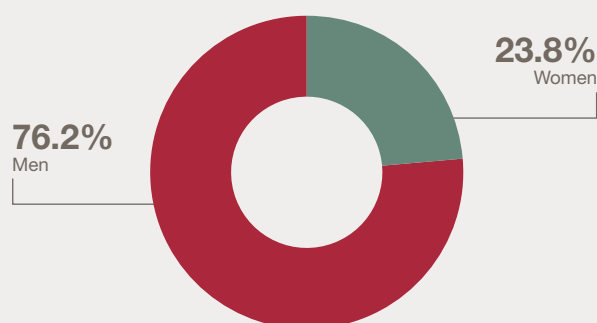
personal life: these four areas for action were adopted, with concrete commitments and measures to promote diversity and professional equality. These objectives and measures are accompanied by indicators calculated in each subsidiary, and then consolidated and tracked at group level.

This agreement is currently being renegotiated with the trade unions representing the group in France. Negotiations began at the end of fiscal year 2021-2022 and will be completed during fiscal year 2022-2023.

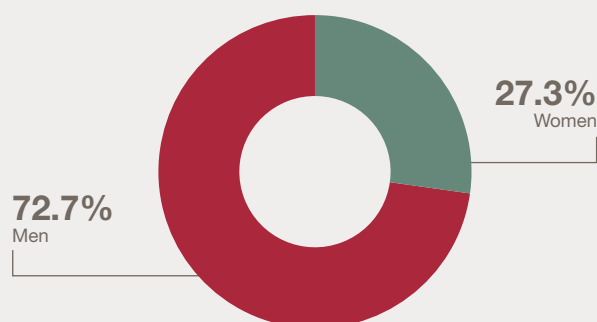
In total, women represent 39.5% of Vilmorin & Cie's headcount. This percentage varies greatly depending on the business sectors and professions.

Breakdown by gender of Vilmorin & Cie's executives (as a %)

Executive Managers



Top Executives



Professional equality index

In France, all companies with at least 50 employees are legally obliged to calculate and publish their gender equality index, integrating several criteria: pay, raises, promotions, etc.

In 2021, the results of Vilmorin & Cie's companies in France were all between 81% and 98%.

MEASURES TAKEN TO SUPPORT INTERGENERATIONAL BALANCE

38.8% of Vilmorin & Cie employees are over 45 years old. In order to guarantee better employability for these employees in the second half of their career, and taking into account the fact that professional careers are getting longer, Vilmorin & Cie has for several years applied a specific agreement regarding employees working in the group's French companies. The object is to accompany all employees more actively in the second half of their professional lives, and encourage the transmission of their know-how and experience to the following generation as they approach retirement.

In France, employees over the age of 57 can also benefit, under certain conditions, from a reduction in their working hours while maintaining full pension contributions.

In the Company, the rate of keeping "seniors" in France (those 57 years old and above) in their jobs stood at 95.1%, slightly lower than in fiscal year 2020-2021, but well above the goal of 90%. Worldwide, the rate stood at 94.4%.

Moreover, in order to encourage the sharing of values, communication between organizations and generations, and also creativity, a mentoring program has been set up in to enable employees in the group to be accompanied for six months by a mentor from a different Business Unit and a different function from their own. This program highlights and takes advantage of the experience of "senior" employees.

Tutoring is also deployed to ensure that skills are transmitted when "junior" employees are hired or move into a new position.

MEASURES TAKEN TOWARDS EMPLOYING AND INTEGRATING DISABLED PERSONS

Vilmorin & Cie deploys various measures to encourage the employment and integration of disabled workers in order to advance the low rate of disabled workers employed (2.4% of employees) in the French scope. To this end, a partnership was formed in France several years ago with *ESATs* (centers providing care through employment) enabling disabled people to work in a protected environment.

People with disabilities receive regular temporary assignments to assist Vilmorin & Cie's support services in several operational and administrative tasks.

Similarly, in several of Vilmorin & Cie's Business Units, strong measures have been taken to promote the employment and integration of people with disabilities. For example, the establishment of a partnership with the association Handischool has made it possible to run awareness-raising campaigns on disabilities at several Vilmorin & Cie sites in France.

5.3.3. ACTING IN ACCORDANCE WITH THE ETHICAL PRINCIPLES AND CODE OF CONDUCT

At Vilmorin & Cie, business ethics have been materialized by the application of the Ethical Principles and Code of Conduct (see the inset below), formalized by its reference Shareholder, Limagrain. Accompanied by e-learning available on the Intranet, it provides employees with ethical references and the rules they must comply with. It was designed to address ethics in a broad sense and within the scope of all activities, and it is part of the scope of several international texts whose principles the group shares:

- the Universal Declaration of Human Rights,
- the core conventions of the International Labor Organization, in particular conventions 29, 105, 138 and 182 (combating child labor and forced labor), 155 (health and safety of workers), 111 (combating discrimination), 100 (remuneration), 87 and 98 (freedom of association, the right to organize and the right to collective bargaining),
- the United Nations Convention on the Rights of the Child,
- the OECD guidelines for the intention of multinational companies,
- the transposition into French law of the European directive of 22/10/2014, known as "CSR."

It has committed to promoting and respecting its principles governing Human Rights in its teams throughout Limagrain and in its sphere of influence, and to ensure it is not part in any way of their violation. In this respect, the Ethical Principles and Code of Conduct is a binding document for all group entities worldwide.

The complexity of the seed production and distribution circuits, the multiplicity of private and public players on the market, the development strategy on all continents and Vilmorin & Cie's model of strong delegation, make it particularly critical that the Company be vigilant in ensuring that its practices comply with the principles of business ethics and the laws, which are increasingly extraterritorial in nature, on anti-corruption, human rights, international labor standards, health and safety and respect for the environment.

In this context, the risks of its practices not complying with the Ethical Principles and anti-corruption laws have been identified as one of Vilmorin & Cie's non-financial risks. Given their limited criticality*, these risks are not presented in Part 2 "Risk factors", but in this non-financial section.

To respond to ethical issues, the group has implemented an approach and tools to promote the questioning reflex of employees. The aim is to foster a spirit of individual responsibility and to rely on collective intelligence to learn how to handle ambiguity and complexity, and interpret rules with discernment in all situations.

The Ethical Principles and Code of Conduct

The Ethical Principles and Code of Conduct specify the various rules and regulations in force with which Vilmorin & Cie's employees must comply, while inviting them to adopt an individual approach to questioning situations. They comprise:

- Seven ethical commitments to internal and external stakeholders:
 - respect Shareholders,
 - respect employees,
 - preserve the environment,
 - adopt loyal behavior towards competitors,
 - ensure customer and consumer satisfaction,
 - establish loyal, balanced relations with suppliers and partners,
 - adopt responsible conduct with regard to the countries and regions where the Company operates.
- Five rules of conduct, designed to guide employees by providing them with useful ethical references in the exercise of their profession and the control of related risks:
 - preserve the image and reputation of the Company,
 - respect and protect the Company's assets,
 - act with integrity and avoid any conflicts of interest,
 - prevent the dissemination of non-public financial information and insider trading,
 - make sure intellectual property rights are protected.

Translated into seventeen languages, the document is available to employees on the Group Intranet and to external stakeholders on the website. Discerning unethical acts and preventing behavioral errors are concerns that are in line with the search for excellence. For Vilmorin & Cie, which is present in many countries in the world, with cultures and legislation that can be very different, the Ethical Principles and Code of Conduct mark its identity through clear benchmarks that can be shared by everyone. This is a *sine qua non* condition to ensure its reputation and legitimacy.

5.3.3.1. FIGHTING CORRUPTION

The group strives to enforce the statutory and legal provisions in fighting corruption and money laundering (in particular the OECD convention of 1997), and, in the conduct of its commercial and financial relations, to take account of the significant recommendations of national and international organizations such as OFAC (Office of Foreign Assets Control) concerning economic sanctions. Vilmorin & Cie's compliance with the French Sapin II law is a major project that was pursued over the past fiscal year.

This project, called "BE&AB" for Business Ethics & Anti-Bribery, is being run by Vilmorin & Cie's parent company and reference Shareholder, Limagrain, and goes beyond compliance with the Sapin II law by also addressing the issues of insider trading and interest representatives. The BE&AB project is co-led by the Governance Risks and Compliance department (GRC) and the CSR department, with the corporate VP for Human Resources and CSR as sponsor. The Legal Network has been entrusted with the deployment of the system and the implementation of the tools, including their adaptation, in each Business Unit.

As a reminder, as part of their training program, in March 2019 several Vilmorin & Cie Board Members participated in an anti-corruption awareness session led by Transparency International France.

Training on the Ethical Principles and Code of Conduct

• Objective

75% des of employees connected to the network had validated the E-learning program by December 31, 2021

• Realization

(on June 30, 2022)

3,526 employees had validated the E-learning program, i.e. around 70% of employees connected to the network

617 employees not connected to the network have followed an awareness program on the subject

Deployment of the BE&AB project continued during fiscal year 2021-2022. As an essential starting point, the mapping of corruption and influence peddling risks is now the subject of a specific map that is updated annually, following the example of the Vilmorin & Cie risk mapping process. This point is presented in detail in paragraph 2.1.7., on page 73.

The Ethical Principles and Code of Conduct are the subject of sustained communication through e-learning for all employees who are connected. For employees who are not connected to the network, the Business Units Hazera, HM-CLAUSE and Vilmorin-Mikado have also set up awareness-raising actions.

Third-party assessments and accounting audits are now routinely deployed in all Business Units. Traceability of all these evaluations has been integrated into the process, in order to know why and by whom choices were made.

The group's ethical whistleblowing system is available via the group intranet for all employees, as well as to external third parties. Widely communicated via E-learning, it received a few alerts, whose diverse geographical origins show that it is well-known throughout the Group.

In order to ensure that the consequences of internal corruption cases are addressed in a consistent manner across all Vilmorin & Cie's companies, the Human Resources Department worked with the Business Units on systematic disciplinary sanction mechanisms. The objective is to ensure that appropriate disciplinary measures are in place throughout the group for the various types of corruption, and that they are known and recognized by employees and their representative bodies, where they exist.

5.3.3.2. RESPECT FOR HUMAN RIGHTS AND THE RIGHTS OF THE CHILD

Vilmorin & Cie's development strategy on all continents and its involvement in agricultural seed production activities carried out by the Company's own structures or through the use of sub-contractors, require particular vigilance with regard to respect for fundamental rights such as human rights and those of children.

Agricultural activities in many countries by nature require seasonal labor. This temporary dimension can put pressure on the working conditions offered to an often-dependent workforce. In addition, because of their mobility and the temporary nature of their employment, it can be difficult to ensure acceptable working conditions.

To guard against unethical practices, purchasing contracts include ethical compliance clauses and have, in their digital version, a link to the document "Ethical Principles and Code of Conduct" whose commitments are explicit: *"The Group ensures that it works with suppliers who do not make use of illegal child labor or forced labor. The Group is careful to ensure its suppliers and customers respect the core conventions of the International Labor Organization on fundamental social rights."*

RESPECT FOR THE RIGHTS OF THE CHILD

The group is fully aware of the reality of child labor in certain geographical regions and for certain activities related to seed production. All the Business Units are implementing dedicated initiatives related to their context, such as specific clauses in production contracts, awareness-raising measures for teams that monitor production, and employment restrictions for workers under the age of 18, in accordance with national and international laws.

In India, for both the Field Seeds and Vegetable Seeds activities, the local companies have developed specific programs.

With regard to Field Seeds, the Human Resources Department of Limagrain India has defined, in its internal regulations, recruitment and personnel management procedures in order to reinforce the fight against child labor and ensure strict compliance with local regulations. In addition, strict social clauses are included in all contracts with suppliers, including a ban on child labor, under penalty of suspension of the contract.

In Vegetable Seeds, HM.CLAUSE India has been fighting child labor in seed production activities, contracted out since the beginning of its seed multiplication activities in 2012. Since then, the Company has multiplied its actions in a continuous improvement process.

As part of its specific CSR program, HM.CLAUSE India has deployed a comprehensive procedure to abolish child labor in India, called the "Child Labor Awareness Program" (CLAP). Its first commitment was to set the minimum working age at 16 years, while legislation defines the threshold at 14 years of age. In this context, HM.CLAUSE India organizes numerous meetings to raise awareness among producers and to monitor activities in the fields.

HM.CLAUSE India also capitalized on the World Day Against Child Labor to organize events to raise awareness on this issue as part of ECHO (Enabling Child and Human Rights with Seeds Organizations). Indeed, HM.CLAUSE India, as an active member, is one of the main contributors to the ECHO organization launched in 2018 in India to address this issue.

IMPROVING LIVING AND EDUCATION CONDITIONS

Since working and living conditions are closely linked, some subsidiaries are also active in providing equipment to improve the lives of local populations and promote children's access to education.

These initiatives also contribute to the policy of social commitment developed by the companies with the local communities close to their sites (the information is presented in detail in paragraph 5.4.2., on page 162).

5.3.3.3. A RESPONSIBLE PURCHASING POLICY TO CONSOLIDATE RELATIONS WITH SUPPLIERS

81.6%
of the suppliers
of the group Purchasing
Coordination have declared
that they have initiated
a CSR approach

In terms of supplier relations, Vilmorin & Cie strictly monitors the criterion of economic non-dependence and coordinates a significant proportion of its procurement and purchasing conditions through a dedicated internal organization, the group Purchasing Coordination, which brings together representatives from the various Business Units structured into Steering Committees by major product or service category.

Convinced that supplier relations are an important lever for creating value, the group's Purchasing Coordination department has been regularly developing its processes to integrate socio-environmental criteria based on its own responsible purchasing guidelines.

In order to ensure that suppliers respect human rights, in particular labor legislation, the Purchasing process provides for the monitoring of the Duty of Vigilance. The process also provides for due diligence and monitoring of all its suppliers, both active and new, in the fight against corruption. In addition, the department has set up a Request For Information (RFI) for all its active and potential suppliers, in order to get to know them better and identify the inherent risks. The RFI, which was fully digitized in 2021-2022 and is currently being deployed in the Business Units, provides information on the organization, strategy, financial data, quality policy, risk management, CSR, progress plans, supply chain organization and motivation to develop partnerships with the group. Of the 168 suppliers assessed, 81.5% stated that they were committed to a CSR approach, with 20.8% declaring that they had an "advanced maturity" in this area. This self-assessment of CSR maturity is based on objective criteria such as CSR assessments carried out by third parties, members or not of the Global Compact or holding ISO certifications, the veracity of which is systematically reviewed.

At the same time, in November 2012, the group signed the CMAP Mediation Charter (*Centre de Médiation et d'Arbitrage de Paris*) and thus chose to engage in the prevention of disputes and the amicable resolution of litigation by resorting to mediation whenever appropriate.

By the very nature of their activity, buyers represent a population particularly exposed to the risk of corruption. A Purchasing Ethics Charter has therefore been established to formalize an individual commitment not to succumb to corruption and other unethical practices. It has been signed by more than 450 buyers working for 20 companies in the Groups.

Finally, with the aim of steering the performance of its responsible purchasing more precisely, the group has launched an initiative to define indicators that are common to all its companies, the first of which is compliance with payment deadlines. For this major component of the supplier relationship, Vilmorin & Cie recorded 92.7% of invoices paid on time for fiscal year 2021-2022.

5.3.3.4. LOYAL COMMERCIAL PRACTICES AND COMPLYING WITH THE RULES OF COMPETITION LAW

Vilmorin & Cie focuses on the use of responsible products and services, and respect in its purchases and partnerships. Particular attention is paid to respecting the principles of fair trade and to the promotion of corporate responsibility in the value chain.

The Ethical Principles and Code of Conduct reassert the group's commitment to comply with the legal and regulatory, national and international provisions related to the rules of competition law. These rules fight against the prevention, restriction or distortion of competition in the marketplace. Legal Network lawyers are mobilized within the framework of their action plans to provide information, prevention and training on competition and merger law issues.

5.3.3.5. PROTECTING AND RESPECTING PERSONAL DATA

Vilmorin & Cie attaches the greatest importance to respect for its employees, partners and all its other stakeholders. Various paragraphs of the Ethical Principles and Code of Conduct formalize this commitment, foremost among which is respect for personal data.

Vilmorin & Cie collects and processes many personal data, and although data processing is not at the heart of its activity, the Company's operating needs require the collection, processing and cross-referencing of personal data. At the same time, the exponential digitalization of tools is now generating more and more sharing of this data and thus increasing the risk of personal data breaches⁽¹⁾.

Many regulations today govern the protection of personal data, including the General Data Protection Regulations (GDPR). To ensure European and international compliance, the Group appointed a Data Protection Officer (DPO) at the end of 2018, who reports to the Governance, Compliance and Risk Department, and who relies on a network of correspondents in the Business Units to carry out assignments. The Data Protection Department's mission is to ensure the permanent compliance of all personal data-processing carried out within Vilmorin & Cie. It analyzes risks and carries out compliance checks in terms of data protection. It disseminates a data protection culture within the group, in particular by providing advice, information and awareness to the Business Units.

(1) Personal data breach is defined as the destruction, loss, alteration, unauthorized disclosure of or access to personal data transmitted, stored or otherwise processed.

To this end, a “personal data protection” manual was drawn up and shared within the Company. Its purpose is to assist and support Vilmorin & Cie’s entities in complying with the processing of personal data for professional purposes. It also seeks to harmonize practices within the group. Finally, tools and procedures have been developed to meet regulatory requirements.

All these actions are coordinated by the group Safety/Security/Data/Crisis Manager.

5.3.3.6. FIGHTING TAX EVASION AND MONEY LAUNDERING

Due to the diversity of its activities and countries where it operates, Vilmorin & Cie and its subsidiaries are subject to a wide range of tax environments, the management of which is coordinated by the Company’s Tax Department. Vilmorin & Cie strives to comply with applicable tax laws and regulations in all its activities. It is committed to maintaining good relations with the tax authorities of the countries where it operates, relying on collaboration and integrity.

It ensures that its tax positions are well-founded and that its tax strategy is in line with the Company’s strategy. Vilmorin & Cie therefore undertakes to use tax benefits and reductions that have the effect of reducing its tax burden on its activities only after making sure in advance that their use is not for purposes contrary to those of the laws from which they originate.

The fight against money laundering, just like corruption, is a real concern of Vilmorin & Cie. In accordance with the principle of “Acting with integrity and avoiding any conflict of interest” as quoted in the Ethical Principles and Code of Conduct, the group undertakes to comply with the laws and regulations relating in particular to the fight against money laundering.

In order to promote a clear understanding of banned practices, the inclusion in the glossary of the term “money laundering” is a means of defining its contours and raising awareness among all employees on this issue.

5.3.4. LIMITING THE ENVIRONMENTAL IMPACT OF BUSINESS ACTIVITIES

Within the framework of its activities, Vilmorin & Cie is subject to numerous environmental regulations. These regulations are complex, constantly changing and increasingly strict, and their application can prove costly and even limit the Company’s ability to carry out and develop its activities. They relate in particular to the quantitative and qualitative management of water, air, greenhouse gas emissions, soil pollution, the use of natural resources, the preservation of biodiversity, and noise, dust and waste⁽¹⁾.

In this context, the risks of pollution and environmental non-compliance have been identified among the non-financial risks of Vilmorin & Cie. Given their limited criticality*, these are not presented in Part 2 “Risk factors”, but in this non-financial section.

The impact of Vilmorin & Cie’s activities on the environment is a concern managed as closely as possible to the field, by each Business Unit, in a determined and responsible approach. In addition, Vilmorin & Cie also integrates environmental risk prevention into its risk management policy, with the implementation of standards applicable to all of its sites worldwide.

Vilmorin & Cie’s environmental risk management policy focuses on:

- Understanding and respecting Vilmorin & Cie’s external obligations (legal requirements, requests from the authorities), developing a culture of continuous improvement and operational excellence by training employees, reporting and analyzing incidents, and sharing learning experience.
- Providing quality solutions that meet the needs of customers and distributors, in particular through the creation of seed varieties adapted to the diversity of environments and the dissemination of responsible and sensible agricultural practices to farmers and partners throughout the world.
- Optimizing agricultural, agronomic and industrial processes to guarantee the quality and food safety of products.
- Preventing and reducing, whenever possible, the negative impacts, direct and indirect, of the Company’s activities on the environment and on communities directly related to its territories.

At the same time, the group’s Ethical Principles and Code of Conduct and its membership, through its parent company and reference Shareholder Limagrain, of the United Nations Global Compact, are a reminder of Vilmorin & Cie’s commitment to make a significant contribution to respect for the environment.

In order to ensure its compliance with current environmental regulations, Vilmorin & Cie has implemented organizations, procedures and tools: international environmental watch accessible from the group Intranet and organized by theme and by country, adapted management of sites declared ICPE (facilities classified for environmental protection), in a water stress zone or in an area which is adjacent and/or protected for its biodiversity.

The group’s LEIA (“Limit the Environmental Impact of our Activities”) program, launched in 2018, has formalized a commitment framework to limit the environmental impact of its facilities. Based on compliance with the standards and legislation in force in all countries where the group operates, this environmental program sets out an action plan and quantified objectives for four key environmental issues: energy and greenhouse gases, water, biodiversity and waste. Resulting from collaborative work carried out by several CSR Committees

(1) The regulations concerned include the following:

- Directive 2012/27/EU of the European Parliament and of the Council of October 25, 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC. Text with EEA relevance: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32012L0027>.
- Article L181-2 of the Environmental Code created by Ordinance No. 2017-80 of January 26, 2017 - art. 1 : <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000033926976&categorieLien=id> (in French).
- Law No. 2016-1087 of August 8, 2016 for the recovery of biodiversity, nature and landscapes: <https://www.legifrance.gouv.fr/eli/loi/2016/8/8/2016-1087/jo/texte> (in French).

bringing together the group's Business Units and Corporate Departments (risk management, legal affairs, HR, etc.), these pragmatic and realistic commitments demonstrate Vilmorin & Cie's desire to operate with greater knowledge and efficiency in terms of environmental impact.

€4,938,042

invested over the fiscal year in **measures aimed at improving Vilmorin & Cie's environmental impacts**

Initiating the implementation of a group environmental management system

The LEIA program is based on the implementation of an environmental management system applicable to all sites and on compliance with the environmental laws, regulations and requirements worldwide. Four themes have been selected for this program: energy, water, waste and biodiversity at the sites.

For each of these four themes, Vilmorin & Cie's sites around the world are implementing a multitude of actions of very diverse nature and scope. Taking environmental impacts into account is a reality when making choices to invest in new equipment or in maintenance operations. Daily practices, whether related to the manufacturing process or to lifestyle habits in the workplace, are also being comprehensively reexamined in the light of these objectives.

They are increasingly crystallized through ISO 14001 environmental certification, obtained by the two Hazera sites in Israel, Berurim and Sderot, and by the Karacabey field seeds factory in Turkey.

SOIL USAGE

Soil represents Vilmorin & Cie's primary production resource. Whether production takes place in the field, in tunnels or greenhouses, soil is mostly used as a support for the plants from which the seeds distributed by Vilmorin & Cie will be produced. However, impact on soils remains limited, as Vilmorin & Cie's global annual seed production requires almost 60,000 hectares, equivalent to 0.4% of French arable land.

CONSUMPTION OF RAW MATERIALS

Dependence on raw materials is limited by the very nature of the business. Vilmorin & Cie, as a seed producer, is primarily involved in creating renewable raw materials.

In the area of seed packaging, initiatives are being taken to increase its re-use, mainly large flexible containers called big bags.

OTHER POTENTIAL SOURCES OF POLLUTION

Vilmorin & Cie's activities can generate various types of pollution, for which the sites take certain initiatives to reduce them.

Air and olfactory pollution: Dust generated during seed processing is the main source of any possible air pollution. To limit such pollution, some of Vilmorin & Cie's companies have deployed means to prevent the production and dispersal of dust, and have installed systems to filter and capture it. The use of treatment products or the fermentation of organic waste can cause odor pollution for employees and local residents. For employees, the wearing of personal protective equipment and the installation of extraction systems are the first measures generally applied. To limit the impact on local residents, filtration equipment is widely used and organic waste management practices are adapted to limit odors.

Noise pollution: Most of Vilmorin & Cie's sites do not present particularly high noise levels, and are not located in urban areas. Nonetheless, noise levels are regularly monitored at the sites. Vilmorin & Cie recommends to all of its subsidiaries that, where noise levels exceed 85 decibels, they should adjust their machinery to ensure a reduction and make it mandatory for individuals to wear individual protective equipment, even if it is not mandatory under national legislation. The installation of soundproof equipment for local residents is favored for the operations at the facilities.

Light pollution: Light pollution is increasingly considered for its impacts on the neighborhood and on ecosystems. Vilmorin & Cie is taking preventive measures at its industrial sites and research centers that very often have greenhouses. In addition to automatic shutdown systems that mean that premises are only lit when occupied, management of greenhouse lighting is optimized to provide only the light required by the crops.

PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS

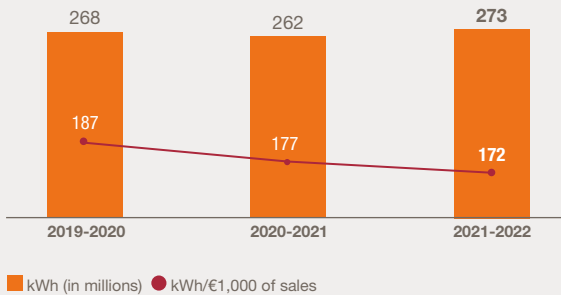
Vilmorin & Cie did not record any provisions or guarantees for environmental risks for fiscal year 2021-2022.

5.3.4.1. ENERGY AND GREENHOUSE GASES

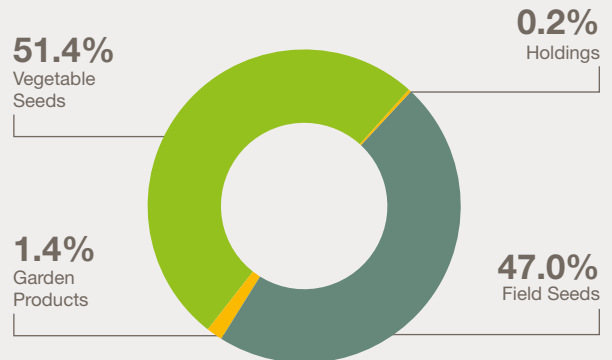
Vilmorin & Cie's total energy consumption amounted to 273 million kWh in fiscal year 2021-2022, up 4.2% compared to 2020-2021.

273 GWh
of energy consumed
including **11.8%**
of renewable energy
60,209 tCO₂e
emitted

Evolution of energy consumption (in millions of kWh and kWh/€1,000 of sales)



Analysis of energy consumption in 2021-2022 by activity (as a %)



The energy consumed by Vilmorin & Cie is mainly used for drying seeds, heating greenhouses and business travel for its employees. The significant increase in energy consumption during the fiscal year is due to the following characteristics:

For fixed energies:

- Seed production levels have a direct impact on the quantities to be dried, and in many areas these quantities have been higher: Limagrain Europe in Elorz (Spain), Limagrain India in Takfa (India).
- Weather conditions have a direct influence on consumption because of their impact on:
 - heating for greenhouses: some areas such as Turkey had a colder year (Vilmorin-Mikado and HM.CLAUSE stations),
 - drying of wetter harvested seeds.

For mobile energies:

- Fiscal year 2021-2022 saw a further shift from diesel to gasoline for vehicles. This is due to the better environmental profile of gasoline and the proliferation of increasingly strict standards and regulations in favor of gasoline. At the same time, the "greening" of vehicle fleets is accelerating with the increase in the number of electric or hybrid vehicles in company fleets.
- The year was also marked by a return to a certain normality in terms of travel after months affected by the restrictions linked to the health crisis.

While overall energy consumption increased during the year, certain changes should be noted:

- Photovoltaic energy: the sites of HM.CLAUSE Davis (United States) and Limagrain Europe Rilland (Netherlands) recorded a first full year of photovoltaic production for self-consumption, reaching a total of 1.4 GWh.
- Biomass: growth in volume, particularly at Limagrain Brasil Goianésia (Brazil) and Limagrain Europe Saint-Mathurin (France).

- Wind energy: the fiscal year was marked by the supply to the French sites of Vilmorin & Cie and its parent company and reference Shareholder Limagrain, as from January 1st 2022, of all the electricity produced by a wind farm in Moselle, within the framework of a three-year PPA (Power Purchase Agreement).

Vilmorin & Cie's total greenhouse gas emissions (GHG) (scope 1 and 2 excluding refrigerants) amounted to 57,508 tCO₂e in 2021-2022, an increase of 2.4% compared to 2020-2021 data. If refrigerants are included, GHG emissions reached 60,209 tCO₂e.

EVOLUTION OF THE SOURCES OF GREENHOUSE GAS EMISSIONS

Source	Energy consumption (kWh) 2020-2021 restated	Energy consumption (kWh) 2021-2022	% 2021-2022	Emissions of greenhouse gases (kgCO ₂ e) 2020-2021 restated	Emissions of greenhouse gases (kgCO ₂ e) 2021-2022	% 2021-2022
Electricity – location-based ⁽¹⁾	80,155,415	76,886,829	28.2%	21,691,366	21,044,146	34.9%
Electricity – market-based	-	2,076,019	0.8%	-	-	0.0%
Mains gas	48,252,292	48,603,974	17.8%	8,419,153	8,460,985	14.1%
Diesel for mobile sources	45,128,787	45,175,607	16.5%	11,471,873	11,483,775	19.1%
Renewable energies	28,485,740	32,386,295	11.9%	-	-	0.0%
Gasoline for mobile sources	16,563,918	19,883,454	7.3%	4,194,020	5,034,534	8.4%
Other gas consumption	25,353,616	27,254,502	10.0%	5,777,279	6,164,253	10.2%
Other oil consumption	12,000,237	14,258,541	5.2%	3,106,713	3,696,000	6.1%
Others	6,162,071	6,305,059	2.3%	1,487,661	1,623,815	2.7%
Total energy	262,102,076	272,830,280	100.0%	56,148,065	57,507,508	95.5%
Fugitive emissions (refrigerant gas leakage)				4,280,325	2,701,311	4.5%
Total Scope 1 and 2 with fugitive emissions				60,428,390	60,208,819	100.0%
				Total Scope 1	38,486,596	36.1%
				Total Scope 2	21,722,223	63.9%

Reporting on fugitive emissions is fairly recent. Fiscal year 2020-2021 was marked by a few incidents of major leaks in refrigeration equipment at certain sites. Fiscal year 2021-2022 showed a 36.9% drop, confirming the exceptional nature of the leaks in the previous fiscal year.

As a result, the growth in energy-related GHG emissions was offset by a decrease in emissions from refrigerant leaks and total emissions decreased by 0.3%.

Reducing energy consumption and greenhouse gas emissions is a major objective of the LEIA program. The energy impact is a key element taken into account in each construction or renovation project at Vilmorin & Cie. For fiscal year 2021-2022, more than 80 initiatives were identified for an investment of 3.7 million euros, mainly concerning insulation, lighting and heating.

Other areas are also being worked on, such as the automation or regulation of equipment, equipment maintenance and the promotion of energy-saving behavior among employees.

The CSR Department is working on a project to formalize a reduction target for the Company's greenhouse gas emissions, both direct (Scopes 1 and 2) and indirect (Scope 3), in order to comply with the objectives of the Paris Agreement. By carrying out carbon assessments in representative Business Units, it should enable the major GHG emission categories to be modeled. Their compilation should enable Vilmorin & Cie to set a reduction target by the end of fiscal year 2022-2023, with the necessary indicators and the path that needs to be followed to reach the target.

3.7 million euros
invested in more than
80 initiatives
mainly concerning insulation,
lighting and heating

(1) Vilmorin & Cie's Scope 1 and 2 emissions are calculated according to the methodology published by the GHG Protocol ("The Scope 2 Guidance") and monitored according to the CO₂ location-based indicator. For the supply of electricity from wind power via a PPA that started on January 1st 2022, the emissions are calculated on market basis. Scope 1 and 2 emissions include emissions from refrigerant gas leaks.

5.3.4.2. MANAGING WATER QUALITY AND ITS EFFLUENTS

2.8 million m³
of water consumed

Volume of rainwater collected
as a proportion of total water
consumed

2.8%

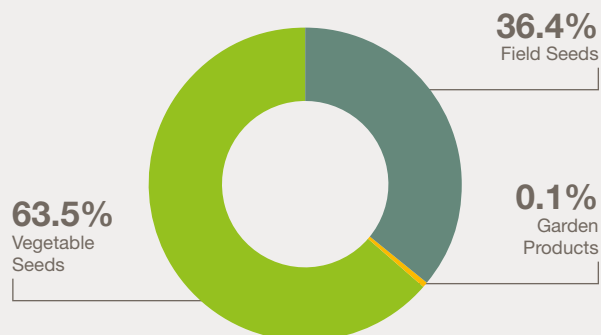
Vilmorin & Cie addresses the issue of water from two perspectives: effluent quality and consumption.

The Company's risk management guidelines cover an analysis of all Vilmorin & Cie's water discharges and their treatment if necessary. Most of Vilmorin & Cie's sites are equipped with appropriate facilities to minimize the risk of pollution, particularly through the use of retention facilities for polluted water, the existence of reprocessing basins and a sludge management process. Provisions are constantly being extended and improved. During fiscal year 2021-2022, seven initiatives to avoid any pollution risk were taken for a total expenditure of 363,000 euros.

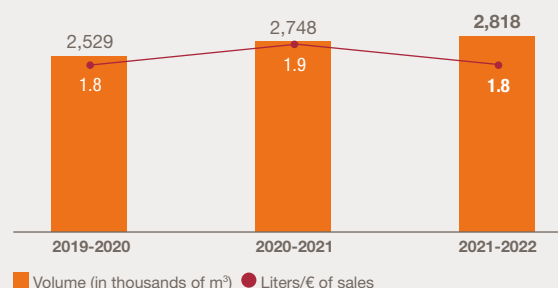
Prevention of the risk of water pollution is the subject of measures described in paragraph 5.3.4, on page 154.

The measures taken in the field of water management aim to identify and reduce Vilmorin & Cie's consumption, and to develop recycling. Water is mainly used for irrigation in greenhouses, plots with crops and for domestic use (sanitation). Given the specific nature of its activities, the Company uses water from the urban distribution network (12%), borehole water (58.2%) and surface water (27%). Collected rainwater is also a resource, but one that is not yet well developed. In view of the fact that it is collected directly during rainfall, and that no water is taken from the water table, rivers or shared networks, in agreement with the independent third-party organization, its volume is indicated separately and is not included in the total water consumed. In addition, a specific indicator expresses its volume as a percentage of the total water consumed.

Analysis of water consumption
in 2021-2022 by activity
(as a %)



Evolution of water consumption
since 2019-2020
(in thousands of m³ and liters/€ of sales)



Over fiscal year 2021-2022, Vilmorin & Cie's water consumption is estimated at 2,818,000 m³, an increase of 2.5% compared to 2020-2021. Consumption of collected rainwater was 80,154 m³, or 2.8% of water consumed.

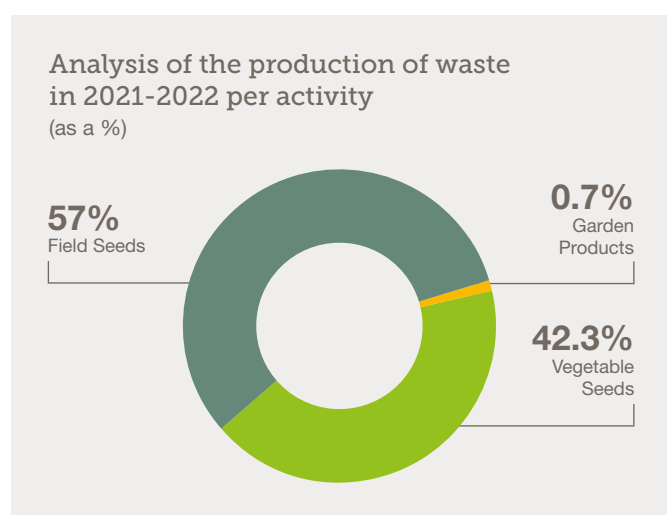
Climatic variations are very important factors in the evolution of Vilmorin & Cie's water consumption, but also in its capacity to collect rainwater. The 7.4% growth in rainwater consumption can be explained by a wetter year in sites equipped with rainwater collectors, particularly HM-CLAUDE Nanyuki (Kenya) and Pozo Estrecho-Cartagena (Spain).

The increase in consumption is the result of the addition of new sites, of strong business activity, dry conditions, but also of an improvement in the quality of information. The installation of meters remains the first recommendation in order to control consumption.

The desire to control consumption was materialized through 44 initiatives taken over the fiscal year for an investment of 718,000 euros, in various domains:

- maintenance and upkeep of networks to avoid leaks and waste,
- choice of efficient irrigation systems. In this regard, the use of drip irrigation systems continues to be developed at the Company's sites,
- the use of irrigation management software as a means to reduce the need to adjust irrigation to ground water reserves, plant needs and weather conditions and forecasts.

5.3.4.3. MANAGING AND RECOVERING WASTE



34,352 tonnes
of waste produced

65.8%
of waste produced
has material recovered

73.2%
of non-aqueous waste recovered

The quantity of waste generated by Vilmorin & Cie is estimated to be 34,352 tonnes (excluding co-products) in 2021-2022, and 73.2% of non-aqueous waste was recovered. This recovery is achieved through two types of channel: material use (94.2%) and energy (5.8%).

Compared to fiscal year 2020-2021, the quantity of waste increased due to higher production volumes, particularly in South America.

At the same time, 71 measures related to waste were taken over the fiscal year, for an investment of more than 57,000 euros. Of limited individual scope, these initiatives largely focused on developing:

- a reduction in volumes, either through the evolution of processes leading to less waste or by increasing recovery,
- sorting equipment,
- the prevention of risks from hazardous waste, mainly related to chemicals,
- an improvement of the Company's waste management and reuse practices,
- an improvement of behavior through training and communication.

5.3.4.4. PRESERVING BIODIVERSITY AT SITES

7
major sites
covering an aggregate acreage of
240 hectares
have been audited for biodiversity

After a biodiversity audit was carried out in 2018 for its site in Saint-Beauzire (France), other Vilmorin & Cie sites have been studied by external service providers. In France, the sites of Vilmorin-Mikado in La Costière and La Ménitré, HM.CLAUSE in La Bohalle and Limagrain Europe in Saint-Mathurin, Verneuil-l'Étang and, by extension, Ennezat because it is the destination for most of the production, were audited and recommendations were made to improve the ecological transparency of the sites, so that they can develop their biodiversity.

While two Limagrain Europe sites have already carried out an assessment, the Business Unit intends to continue with two other locations - Chappes and Nérac - during fiscal year 2022-2023.

Four years after the first biodiversity assessment in Saint-Beauzire, a new assessment was carried out between May and September 2022 to evaluate the progress made by the application of biodiversity-friendly measures. Although the results will not be known until the end of 2022, discussions with the experts during the assessment already indicated a positive and significant evolution.

Many other initiatives to protect biodiversity have been taken at Vilmorin & Cie's sites. 46 initiatives, representing an expenditure of more than 55,000 euros, are contributing to the preservation of biodiversity through the adapted management of green spaces, the installation of facilities for wildlife, changes in growing practices in terms of working the soil, fertilization and treatment, and the use of integrated crop protection.

5.3.4.5. ADAPTING TO THE CONSEQUENCES OF CLIMATE CHANGE

The international location of seed production areas on all continents and the hundred or so research centers located very close to the markets makes it possible to spread and limit the risks related to climate change and weather uncertainty.

For a seed company like Vilmorin & Cie, adapting varieties to the soil and climate conditions of their growing zone is the first requirement for making the most of genetics. Breeders* therefore take account of climate change and its consequences in the choice of direction they give to their programs, in order to ensure the success of the varieties they create. It is therefore in the very nature of the profession to adapt to external conditions.

As adaptation to climate change is one of the two objectives published in the European taxonomy, the approach of the seed business to this objective is discussed in paragraph 5.5.3, on page 172.

5.4. ENCOURAGING COOPERATION

5.4.1. THE CONTEXT AND THE ISSUES

Vilmorin & Cie favors dialogue with its stakeholders and the development of a partnership approach. In-depth knowledge of the agricultural world on the one hand, and of suppliers and customers on the other hand, guarantee that products and solutions can be offered that are in line with the needs of the markets. To best prepare for the future, the development of activities is based on the collaborative work of teams and the exchange of best practices between Business Units, as well as on multiple partnerships with private and public laboratories and research organizations in France and internationally, and with companies that are at the forefront in their sectors of activity.

It is thanks to these close and long-standing ties with the players in its ecosystem that the Company is able to continuously improve its performance.

Certain partnerships are also intended to enable Vilmorin & Cie to make a commitment to society, as close as possible to the regions in which the Company is present. The Company and its subsidiaries are developing or partnering in numerous social and educational initiatives. This is a way for Business Units to participate in local life, to express their social utility while contributing to a better understanding and appreciation of the agricultural world and food issues around the world.

Finally, digitalization increases the opportunities for interaction with stakeholders. Faced with this transformation, Vilmorin & Cie is committed to developing its practices with awareness and discernment between the new possibilities offered by digital tools and permanent attention to possible abuses in their use.

5.4.2. PROMOTING A SHARED CULTURE

5.4.2.1. UNITING AROUND THE CORPORATE PROJECT

The motivation and commitment of employees depends on the ability of the Company and its managers to share in its ambitions and vision. Contributing to meeting the world's food challenges: Vilmorin & Cie's mission gives meaning to the commitment of its employees.

- Meetings bringing together Top Executives and Executive Managers are organized, and provide opportunities to re-explain the group's strategy and missions, while shedding light on the year's priorities.
- The Info+ newsletter, intended for Executive Managers, has become an essential internal communication tool for sharing information on movements within the community as well as important group news.

- In each Business Unit, staff meetings and sales conventions are held in each country where Vilmorin & Cie operates, enabling managers to present and comment on the group's mission and to explain how the Business Unit contributes to it. Most Business Units send out newsletters in print or electronic form, which are the ideal media for communicating the Company's strategy and promoting the actions that underpin it.
- Other meetings demonstrate the desire to work together on common projects to foster innovation and bring together expert communities. The ACL, or Association of Limagrain Researchers, is a three-day meeting that brings together nearly 300 researchers each year from Vilmorin & Cie and Limagrain, its parent company and reference Shareholder. The program includes plenary presentations and workshops on a theme that changes each year.

5.4.2.2. INDUCTION PROGRAMS

Most induction programs are organized in Business Units for their employees, as close as possible to their operational reality.

Certain target populations also benefit from an induction program organized by the group.

Intended for managers who recently joined the group, group induction programs are run for confirmed employees in their position, and with up to five years of seniority in the Company, with higher education of more than five years, or with equivalent experience. These programs involve a meeting with members of the Executive Committee and Board of Directors, a game about the history, values and activities of the group, as well as site visits and meetings with farmer members of the Limagrain Cooperative.

The objective is to facilitate the integration of these new managers in the group, both in terms of how they understand its activities and its strategy, and familiarity with the resources available in each Business Unit.

An Auvergne discovery program makes it possible to pool the induction programs of the Business Units located in the region, for all populations combined, with a common core promoting the understanding and global knowledge of the group, and a more operational part, specific to each Business Unit.

Type of induction program	Business Unit induction program	Group induction program	Auvergne discovery program
Participants	520	219	107

5.4.2.3. BRIDGING CULTURES THROUGH LIMAGRAIN ACADEMY

As part of its cultural cornerstone, Limagrain Academy (presented in detail in paragraph 5.3.2.6., on page 148) aims to disseminate the group's culture, develop a sense of belonging, illustrate values and create a link between categories of employees.

The digital "Limagrain Game" enables employees to learn more about the group, particularly its structure, history, governance and values. Today it is deployed in seven languages, and is used in the induction programs of the Business Units and during certain staff meetings.

Limagrain Academy is pursuing its objective of delivering quality training for all the group's nationalities.

5.4.3. GETTING INVOLVED WITH LOCAL COMMUNITIES IN REGIONS WHERE THE GROUP OPERATES

Vilmorin & Cie, has chosen local management structures based on a model of close proximity to its markets, and is therefore very much involved in the regions in which it operates. A structure divided into nine Business Units is a way of combining respect for the strategic choices made by Vilmorin & Cie and the ability to account for the cultures and specific features of each local area.

This very specific organization model, which underpins Vilmorin & Cie's performance, allows it to work very closely with the relevant people and markets, and to listen carefully to its customers regardless of their geographical location.

By building on its capacity for innovation and its ability to listen to its customers on an ongoing basis, Vilmorin & Cie is in a position to provide its customer farmers and growers all around the world with seeds that are adapted to the different regions, and to diverse soils and climates.

5.4.3.1. IN EMPLOYMENT AND REGIONAL DEVELOPMENT

The choice of areas in which Vilmorin & Cie's sites are located stems from the historical roots of the Business Units that it comprises, but above all from highly technical considerations. The aim is to find the appropriate agronomic conditions to ensure that crops and seed production meet the highest quality standards, while at the same time spreading the risks inherent in agricultural production (climate, disease, pests, etc.). Whenever technically possible, Vilmorin & Cie favors the production of seeds in the zones where they will be distributed. Through the diversity of production zones, it contributes to the activity of farms and to maintaining local employment. Production contracts with local farmers are therefore an important component of the positive territorial impact of Vilmorin & Cie.

Moreover, Vilmorin & Cie's business is highly seasonal, requiring the use of temporary workers at peak periods, particularly at harvest time. Most of this seasonal workforce is recruited locally at Vilmorin & Cie's sites in France and other countries. The total number of seasonal workers employed over fiscal year 2021-2022, represented the equivalent of 1,116 full-time jobs.

Furthermore, the human and cultural links to the world of agriculture, coming from its parent company and reference Shareholder, Limagrain, whose parent company is itself a French agricultural cooperative, are part of Vilmorin & Cie's values and enable it to forge close ties with its different territories

5.4.3.2. IN CORPORATE PATRONAGE AND SPONSORSHIP

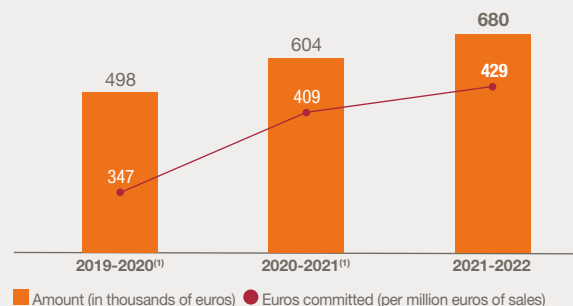
173
initiatives

€680,378
devoted to corporate
patronage/sponsorship

including **83.6%**
in financial support and

16.4%
in product donation

Evolution of societal commitment
(amount in thousands of euros and euros
committed per million euros of sales)



(1) In order to ensure the comparability of data, values for fiscal years 2019-2020 and 2020-2021 have been recalculated using the method applied for fiscal year 2021-2022.

As a result of its desire to contribute to the development of its environment, Vilmorin & Cie is actively involved, either directly or through its subsidiaries, in various social, societal and humanitarian actions. The ambition is to build up new ways of working together and creating value with local stakeholders involved in the Company's activities.

Vilmorin & Cie dedicated 680,378 euros to corporate patronage and sponsorship initiatives during the fiscal year, including 112,000 euros in the form of product donations, mainly seeds.

In an initiative directly linked to its activity, during fiscal year 2020-2021 Vilmorin & Cie formalized its support for The Crop Trust, an international organization that aims to protect and conserve the genetic biodiversity of cultivated plants; a specific agreement to preserve crop biodiversity was also signed in Ghana in fiscal year 2021-2022 (this information is presented in detail in paragraph 5.2.3.2., on page 138).

In terms of societal commitment, Vilmorin & Cie's subsidiaries share different causes such as promoting access to education and gardening, developing learning approaches around seeds and plants, and explaining the virtues of plants used for food, etc. Some of them, such as Hazera, HM.CLAUSE, Vilmorin-Mikado and Vilmorin Jardin have formalized a specific commitment framework with themes that cover the improvement of living conditions of communities through educational infrastructures or access to water.

In terms of sponsorship, many of Vilmorin & Cie's companies make financial commitments to structures linked to their communities and that are active in sport, culture, heritage enhancement or local traditions. They also support structures that develop equal opportunities and inclusion, in particular for women and for the disabled. In this way they contribute to their integration in the different regions.

As soon as the conflict in Ukraine began, Vilmorin & Cie made a commitment to the Red Cross and the High Commission for Refugees by donating 20,000 euros to each organization to support solidarity actions in favor of local populations and refugees. In addition, Vilmorin & Cie has joined forces with the interprofessional organization in an action to donate vegetable seeds for Ukraine.

5.4.4. DEVELOPING PARTNERSHIPS, EQUITY INVESTMENTS AND JOINT VENTURES

Over the years, Vilmorin & Cie has established numerous scientific agreements with public and private research laboratories all over the world. These partnerships are presented in detail in paragraph 1.8.1.1., on page 59.

In addition to these partnerships, equity investments are sometimes made, or joint ventures formed, to pool financial investments, particularly in research, or to draw on the knowledge of partners to expand the presence of Vilmorin & Cie into new markets.

5.4.5. MAKING STAKEHOLDER DIALOGUE A SOURCE OF WEALTH

Dialogue with stakeholders is a fundamental component of the group's CSR approach. It enables progress to be made in understanding the issues and their perception by stakeholders. The aim is to encourage innovation and creativity, mobilize employees, strengthen the Company's image and reputation, and to prevent and manage risks.

5.4.5.1. RELATIONS WITH INDIVIDUALS AND ORGANIZATIONS WITH AN INTEREST IN THE COMPANY'S ACTIVITY

The stakeholders interested in the Company's activity are numerous and the forms of action to reach them diversified. After months during which the health crisis had a major impact on meetings, fiscal year 2021-2022 saw a certain return to the previous situation. However, modes of relating introduced during the Covid-19 period, often linked to the opportunities offered by digital tools and which have shown their relevance and effectiveness, are now an integral part of working habits.

EMPLOYEE'S FAMILIES

The main stakeholders interested in the Company's activity are the families of employees, who share the Company's daily life, without really knowing what the Company and its activities cover. The organization of events dedicated to employees' families and the possibility for each of these employees to present their Company and work environment to their loved ones are sources of pride, and foster a sense of belonging, even within families.

CUSTOMERS

As part of Vilmorin & Cie's strategy of establishing a presence as close as possible to markets, there is a strong relationship, often long-term, with customers, because of commercial relations based on professionalism and mutual respect. To showcase their products, all the group's companies organize commercial displays, which allow visitors to discover the varieties under growing conditions. In the wake of experiences during the health crisis, some meetings are now held remotely despite the renewed possibility of meeting in person.

THE SCIENTIFIC COMMUNITY

A major player in plant breeding*, Vilmorin & Cie is very involved in the scientific community and participates in a multitude of partnerships with public and private research laboratories on all continents. It supports numerous international conferences related to the crops or technologies it is concerned with, and its research teams actively participate in them.

5.4.5.2. DEVELOPING THE KNOWLEDGE AND SHARING OF BEST CSR PRACTICES

In order to promote a better knowledge of CSR, Vilmorin & Cie is convinced of the need to develop pedagogy, training, interaction and cooperation at different levels of the Company. The involvement of various Corporate Departments in leading the CSR program plays a substantial role in the dissemination of CSR throughout the Company, not only to the employees of these Departments, but also to the networks of representatives of the Business Units they lead. This helps to ensure CSR is seen as a fully-fledged dimension of day-to-day business activities and not merely as a tool for regulatory compliance or communication and reporting.

Providing the Operating and Management Committees of the various Business Units and the group with an analysis of their non-financial reporting also contributes to the onboarding of the subject in the Business Units and to the recognition of the work of the CSR teams in each Business Unit.

Finally, since raising the awareness of employees is a decisive factor, Limagrain, Vilmorin & Cie's parent company and reference Shareholder, has made a "CSR Essentials" document available to employees, enabling them to appropriate the key indicators of its non-financial performance.

5.4.6. ADAPTING TO THE CHALLENGE OF DIGITAL TRANSFORMATION

Digital transformation has an impact on the seed industry through its development of the capacity to collect, analyze, process and exploit large amounts of data. Its constant evolution requires Vilmorin & Cie to adapt continuously to take into account the changes brought about by the development of digital agriculture and to have secure digital tools. Part 1, "Presentation of Vilmorin & Cie", in paragraph 1.3.3., on page 26, presents the main components of this challenge for the Company, to which the following points can be added.

5.4.6.1. CYBERSECURITY

The multiplication of data, processing and access points provides many possibilities for malicious digital acts aimed at destabilizing the organization, taking advantage of private information or extorting the Company. Risks related to cybersecurity are presented in detail in paragraph 2.2.1.1., on page 75.

Vilmorin & Cie has implemented an ambitious program for the security of its Information Systems, formalized by a policy that is set out in an application manual and guidelines that are available to everyone internally. It relies on a dedicated organization comprising employees with specific skills to manage this program, which combines technical systems, internal procedures and audits, supervision, processing and employee awareness.

A "Cybersecurity" coordinator, appointed during the fiscal year, now leads the program, along with a network of "Cybersecurity" correspondents from the Business Units. This new network will greatly facilitate the deployment of the policy in the Business Units.

Cybersecurity is above all based on tools to protect access to infrastructure itself and to data. The presence on each workstation of a malware detection and response agent (antivirus), a solution for detecting and blocking harmful web communications (proxy), combined with a secure remote access facility (VPN), is a first step. In addition, regular monitoring of vulnerabilities for both software and infrastructure is carried out on an ongoing basis using indicators of exposure to cyber risks. As cyber threat is permanent, a "Security Operation Center" has been created, in order to monitor identified cyber-attack attempts.

Because the risk can be both internal and external, the organization must also be configured to ensure the secure application of the tools. First, the processes for creating an account and assigning "privileges" on the IT infrastructure follow strict procedures. These are described in a group cybersecurity policy based on the highest standards (NIST CSF standard⁽¹⁾, ANSSI IT hygiene guide⁽²⁾). The rules on "privileges" and management of workstation and server operating systems have been strengthened, resulting in a sharp reduction in privileged accounts. Finally, inactive accounts are analyzed monthly and all attempted attacks and security incidents are systematically processed.

(1) National Institute of Standards and Technology.

(2) Agence nationale de la sécurité des systèmes d'information. (French National Agency for the Security of Information Systems).

Given the omnipresence of cyber threat, all IT projects now have a “cybersecurity” component right from the launch, in order to provide the necessary means of protection to ensure risk-free integration into the group’s IT system.

However, cybersecurity is first and foremost everyone’s business and depends heavily on the individual actions of employees at all levels. For this reason, awareness-raising initiatives were carried out for Board Members and Top Executives during fiscal year 2021-2022. A cyber crisis exercise conducted for the Executive Committee also identified areas for improvement, particularly in the formalization of business continuity plans and IT reconstruction plans. An awareness-raising program is dedicated to all employees via all available internal communication channels, combining e-learning on risks and best practices, a full-scale exercise on malicious acts, deployment of the IT Charter, etc.

5.4.6.2. THE ARCHITECTURE OF INFORMATION SYSTEMS

Information systems are essential for all the activities of each company in the group: research, production, marketing and sales, support activities, etc. Networks, servers and applications must be operational at all times. A failure risk analysis has been conducted for each link in the chain to determine the strategy to be implemented and the related costs. Mirrored servers, data back-up, and application reconstruction capacity are all measures that contribute to the permanent capacity of Information Systems.

The choice of a data-oriented architecture, aligned with the new principles of enterprise architecture, integrates all the capabilities of a modern data platform, to allow the progressive use of new technologies such as Big Data, the Internet of Things (IoT) and Artificial Intelligence. In this context, Vilmorin & Cie’s infrastructures integrate the use of Cloud platforms, to improve data accessibility and the level of flexibility required in terms of memory capacity.

5.5. MONITORING COMMITMENTS AND NON-FINANCIAL PERFORMANCES

5.5.1. METHODOLOGY AND PRIORITIZATION OF THE ISSUES

To define and prioritize the issues involved in the CSR program for 2019, the group CSR Department took into consideration several types of internal and external factors:

- the CSR program defined over the course of fiscal year 2018-2019 by Limagrain, the Company's parent company and reference Shareholder,
- an analysis of the non-financial risks to which Vilmorin & Cie is exposed,
- the most recent legal requirements but also foreseeable changes with regard to compliance,
- and finally, the expectations of the stakeholders. These expectations were identified through the materiality analysis carried out by the group in 2016 and completed by audits and evaluations by external stakeholders, such as clients, funding structures, rating agencies and NGOs.

To ensure the management and continuous improvement of the CSR policy, a structured and standardized non-financial reporting process, accompanied by a glossary of CSR indicators common to the Company, was implemented in 2013-2014. The results must demonstrate proof not only of the Company's commitment, but also of the relevance and efficiency of the actions undertaken.

As part of the update of the CSR program, the Company's indicator framework was reworked to select the most appropriate indicators from those recognized by the Global Reporting Initiative (GRI) and rating agencies to describe the new issues adopted. The repository also includes indicators designed to ensure the internal management of specific Human Resources programs. The 2021-2022 reporting is based on the repository adopted in 2019, and using the Metrix tool from software publisher Enablon for the third year running. This specific tool, dedicated to these functions, demonstrated its relevance, its adaptation and the ease of use both for the collection and use of data.

The social, societal and environmental reporting approach is presented in detail in paragraph 5.5., on page 166.

In order to take account of changes in the consolidation scope, restatements of certain data for fiscal year 2020-2021 were necessary to ensure their comparability. In such cases, the changes between the values for fiscal year 2021-2022 and the previous fiscal year are calculated on the basis of these restated values. In order not to hinder the clarity of the information presented in this section, a comparison of the values for fiscal year 2020-2021 (published in 2021 and restated this year) is presented in paragraph 5.5.2., on page 168.

Vilmorin & Cie's social, societal and environmental reporting approach is based on:

- regulatory provisions resulting from article R.225-105-1 of the French Commercial Code,
- the principles and recommendations of the standard ISO 26000 which have enabled the Company to define its main issues with regard to corporate social responsibility in order to meet all its economic, environmental, social and societal objectives, and the expectations of its stakeholders,
- the guidelines for sustainable development reporting in the G4 guidelines of the Global Reporting Initiative,
- the ten principles of the United Nations Global Compact.

The reporting period coincides with the fiscal year (from July 1 to June 30).

5.5.1.1. SCOPE

The objective of the reporting scope is to be representative of Vilmorin & Cie's business activities. For fiscal year 2020-2021, the cover rate for reporting stood at:

	All companies	Companies with an industrial site ⁽¹⁾
Social reporting	100.0	100.0
Societal and environmental reporting	98.1	100.0

However, the lack of follow-up in a number of subsidiaries means Vilmorin & Cie has to calculate certain environmental data from a reduced scope, as follows:

	All companies	Companies with an industrial site ⁽¹⁾
Reporting on Energy	100.0	100.0
Reporting on Water	91.2	98.9
Reporting on Waste	86.8	98.4

For each indicator disclosed for a restricted scope, this scope is given in accordance with the disclosed data. For the scopes concerned, non-financial consolidation rules are the same as financial consolidation rules.

VARIATIONS IN SCOPE

In order to calculate variations in data between each fiscal year, calculations have been made to measure the impact of scope.

(1) A list of companies concerned is available upon request from the group CSR department.

5.5.1.2. METHODOLOGICAL PROCEDURES

Company procedures comprise:

- a written procedure including a reverse schedule, definition of the scope, and a description of the reporting tool and the control and validation procedures. This procedure is available for consultation in the Company's document management tool,
- a reporting tool (Web platform) including consistency tests on data entry and data entry help (definitions) directly under each question,
- a glossary,
- help on information related to waste,
- an energy calculator and conversion factors available on Teams,
- a tutorial on a Yammer group devoted to data collection.

5.5.1.3. PERTINENCE AND CHOICE OF INDICATORS

The methodologies used for certain social and environmental indicators may be limited, because of:

- differences between definitions used in France and other countries,
- the specificities of social laws in certain countries,
- changes in definitions that might affect their comparability,
- variation in the scope of activity from one year to the next,
- the difficulty in obtaining information from subcontractors, and/or from companies held in conjunction with external partners,
- the modalities of collection and entry of this information.

Moreover, certain indicators were subject to a specific calculation.

- (A) Staff turnover was calculated using the formula: $((\text{Number of hires of permanent employees} + \text{Number of departures of permanent employees (indefinite-term contract)}) / 2) / \text{Total number of permanent employees}$.
- (B) The retention rate for senior employees was calculated using the formula: $\text{Number of departures of permanent employees (indefinite-term contract) (whatever the cause except retirement) at 57 years old and older} / \text{Number of permanent employees (indefinite-term contract) at 57 years old and older on June 30 of the fiscal year}$.
- (C) Absenteeism was calculated using the formula: $\text{Number of days of absenteeism} / (200 \times \text{Total headcount})$.
- (D) The hours worked taken into account in the FR and SR calculations are mainly the actual hours worked, but in order to ensure the completeness of the scope, the number of paid hours and the number of legal working hours are also allowed (they represent about 28% of total hours).

5.5.1.4. CONSOLIDATION AND INTERNAL VERIFICATION

Each site, each company and each Business Unit are responsible for the data they provide, just as the Management is responsible for consolidating the indicator disclosed.

Organization of non-financial reporting is based on:

- the group CSR Department which coordinates the Business Units, consolidates all the non-financial data and makes sure the societal and environmental data is coherent,
- the Corporate Human Resources Department which consolidates the data on headcounts and ensures the social data is coherent,
- a network of "Business Unit coordinators" who manage the reporting of subsidiaries and their sites, and validate their data,
- "company contact points," designated by the Business Unit coordinators, who validate data from the sites, transfer the data for their company and provide the supporting documents,
- "site contact points," designated by the Business Unit coordinators, who transfer the data from their site and provide the supporting documents.

The verification and consolidation of this data is carried out in two stages:

- First stage: each entity (Vilmorin & Cie and its subsidiaries) consolidates the data within its scope. During consolidation, data consistency verifications are carried out. The consolidated and verified data at each entity is then made available to the group CSR Department which sends the social data to the Corporate Human Resources Department.
- Second stage: the Corporate Human Resources and group CSR Departments consolidate the data for the entire scope and verify their consistency.

EXTERNAL VERIFICATIONS

For fiscal year 2021-2022, reporting procedures for non-financial indicators were audited externally by Grant Thornton. The audits were carried out on the basis of a selection of social, environmental and societal indicators, at six companies from six Business Units that are representative of the Vilmorin & Cie activities, in order to validate the quality and global credibility of the reporting system.

The evolution of travel practices induced by the Covid-19 crisis in recent years, and certain restrictions still in force, limited the number of audits performed on site, in favor of audits performed remotely. Among the audited companies listed below, those that were subject to on-site auditor visits are identified by an asterisk (*):

- HM.CLAUSE France (France, Semences Potagères),
- Limagrain Chile (Chili, Semences de Grandes Cultures),
- Limagrain Chile (Chile, Field Seeds),
- Limagrain India* (India, Field Seeds),
- Limagrain UK (United Kingdom, Field Seeds),
- Vilmorin Jardin* (France, Garden Products),
- Vilmorin-Mikado Japan* (Japan, Vegetable Seeds).

The nature of the work performed and the related conclusions are presented in a specific certificate, which is included in paragraph 5.7., on page 178. The glossary of indicators is available on request.

5.5.2. VILMORIN & CIE'S NON-FINANCIAL PERFORMANCE IN 2021-2022

5.5.2.1. SOCIAL DATA

ANALYSIS OF PERMANENT STAFF BY ACTIVITY (NUMBER OF PERSONS)

	Field Seeds	Vegetable Seeds	Garden Products	Holdings	Total
2019-2020	2,491	4,032	243	288	7,054
2020-2021	2,722	3,849	229	289	7,089
2021-2022	2,745	3,974	229	306	7,254

ANALYSIS OF PERMANENT STAFF BY BUSINESS LINE (AS A %)

	Research and Innovation	Sales and Marketing	Production and Operations	Support Functions and General Management
Employees	27.9	26.8	27.0	18.3

ANALYSIS OF PERMANENT STAFF BY GEOGRAPHICAL REGION (AS A %)

	Europe	(Incl. France)	Americas	Africa/Middle East	Asia/Oceania
Employees	53.3	31.1	16.2	10.9	19.6

ANALYSIS OF PERMANENT STAFF BY GENDER AND BY CATEGORY

	Gender		Category	
	Male	Female	Manager ⁽¹⁾	Non-manager
Number	4,392	2,862	2,727	4,527
%	60.5	39.5	37.6	62.4

(1) According to the definition adopted by Vilmorin & Cie, a manager is a supervisor or expert with more than 5 years of higher education or the equivalent acquired through experience.

RECRUITMENTS (NUMBER OF PERSONS)

Recruitments	Tenure	% with tenure
927	287	31.0
Recruitments without tenure	Manager	Young people of - 26 without professional experience
640	289	130

DEPARTURES (NUMBER OF PERSONS)

Departures	Retirements	Resignations	Dismissals	Others
856	93	454	131	178

5.5.2.2. ENVIRONMENTAL DATA

ENERGY AND GREENHOUSE GASES (GHG)

Source	Energy consumption (kWh) 2021-2022	% 2021-2022	Greenhouse gas emissions (kg CO ₂ e) 2021-2022	% 2021-2022
Electricity – location-based ⁽¹⁾	76,886,829	28.2%	21,044,146	34.9%
Electricity – market-based	2,076,019	0.8%	-	0.0%
Mains gas	48,603,974	17.8%	8,460,985	14.1%
Diesel for mobile sources	45,175,607	16.5%	11,483,775	19.1%
Renewable energies	32,386,295	11.9%	-	0.0%
Gasoline for mobile sources	19,883,454	7.3%	5,034,534	8.4%
Other gas consumption	27,254,502	10.0%	6,164,253	10.2%
Other oil consumption	14,258,541	5.2%	3,696,000	6.1%
Others	6,305,059	2.3%	1,623,815	2.7%
Total Energy	272,830,280	100.0%	57,507,508	95.5%
Fugitive emissions (refrigerant gas leaks)			2,701,311	4.5%
Total Scopes 1 and 2 with fugitive emissions			60,208,819	100.0%
Scope 1			38,486,596	63.9%
Scope 2			21,722,223	36.1%

WATER (CONSUMPTION/ORIGIN)

Origin	Borehole	Surface	Urban network	Total water consumed	Collected rainwater
Consumption in m ³	1,686,342	782,581	348,760	2,817,683	80,154

WASTE (TONNAGE/NATURE)

Type of waste	Organic	Ordinary	Dangerous	Hazardous aqueous	Total
Tonnage	25,179	6,277	1,302	1,594	34,352
%	73.3	18.3	3.8	4.6	100.0

MANAGEMENT OF NON-AQUEOUS WASTE (TONNAGE/TREATMENT)

Type of treatment	Energy use	Material use	Landfill	Total
Tonnage	1,395	22,587	8,775	32,757
%	4.3	68.9	26.8	100.0

ANALYSIS BY ACTIVITY (AS A %)

	Field Seeds	Vegetable Seeds	Garden Products	Holdings	Total
Energy consumption	47.0	51.4	1.4	0.2	100.0
Water consumption	36.4	63.5	0.1	0.0	100.0
Waste production	57.0	42.3	0.7	0.0	100.0

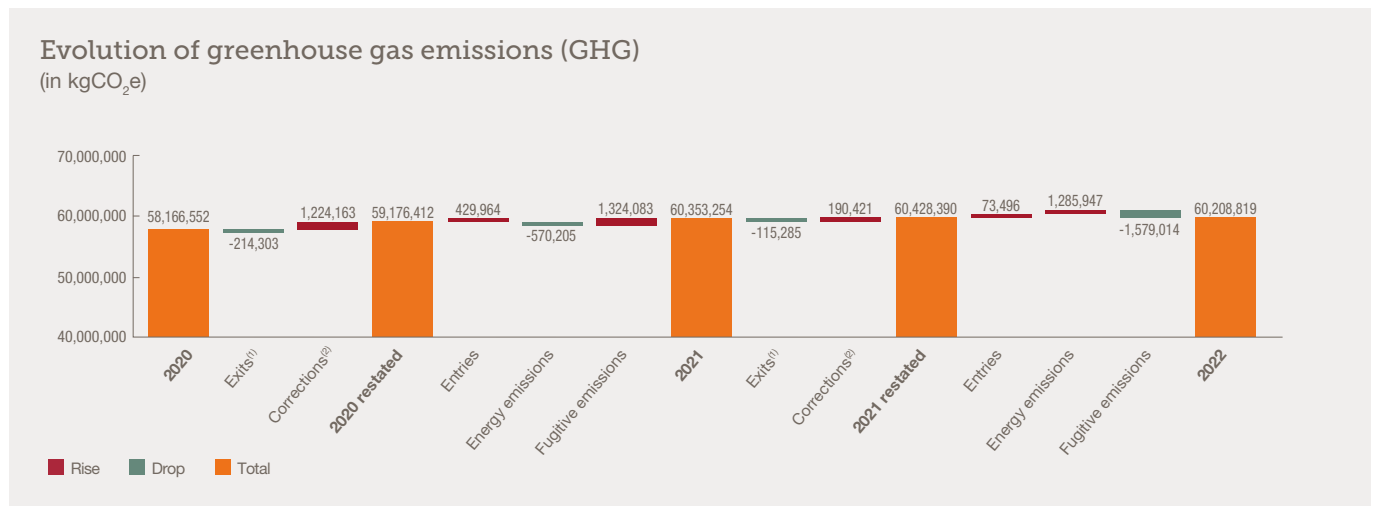
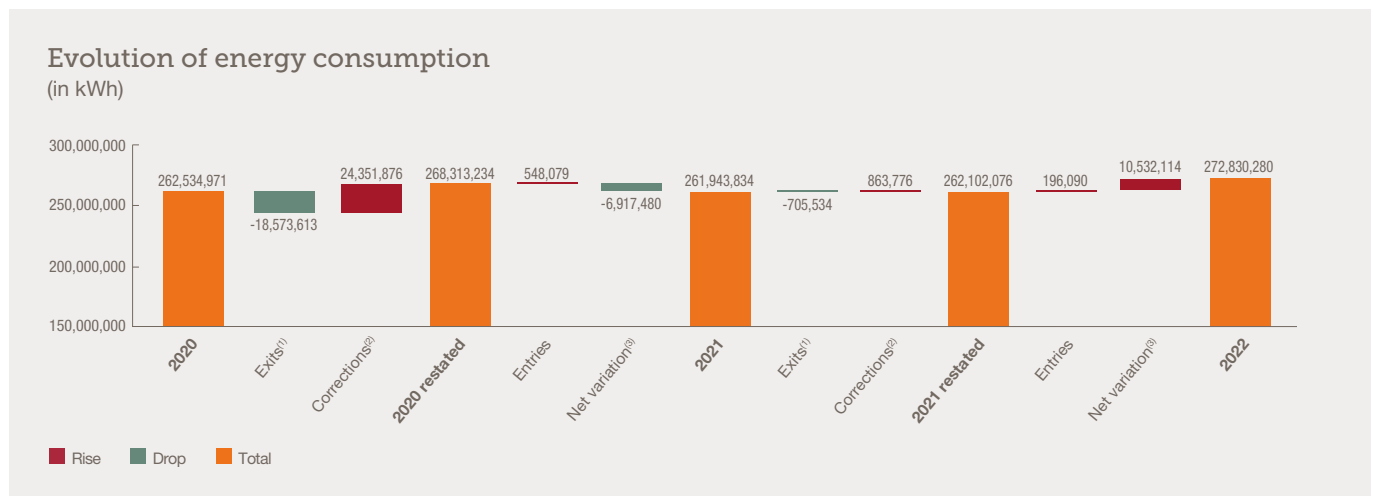
(1) Vilmorin & Cie's Scope 1 and 2 emissions are calculated according to the methodology published by the GHG Protocol ("The Scope 2 Guidance") and monitored according to the CO₂ location-based indicator. For the supply of electricity from wind power via a PPA that began on January 1, 2022, the emissions are calculated on a market-based basis. Scope 1 and 2 emissions include emissions from refrigerant gas leaks.

REMINDER:

	Energy (GWh)	GHG (tCO ₂ e) ⁽¹⁾	GHG (tCO ₂ e)	Water (in millions of m ³)	Waste (t)
2019-2020 disclosed	262.5	55,210	58,167	2.8	34,911
2019-2020 restated	268.3	56,220	59,176	2.5	28,573
2020-2021 disclosed	261.9	56,073	60,353	2.7	24,577
2020-2021 restated	262.1	56,148	60,428	2.7	24,571
2021-2022	272.8	57,507	60,208	2.8	34,352

(1) Excluding fugitive emissions.

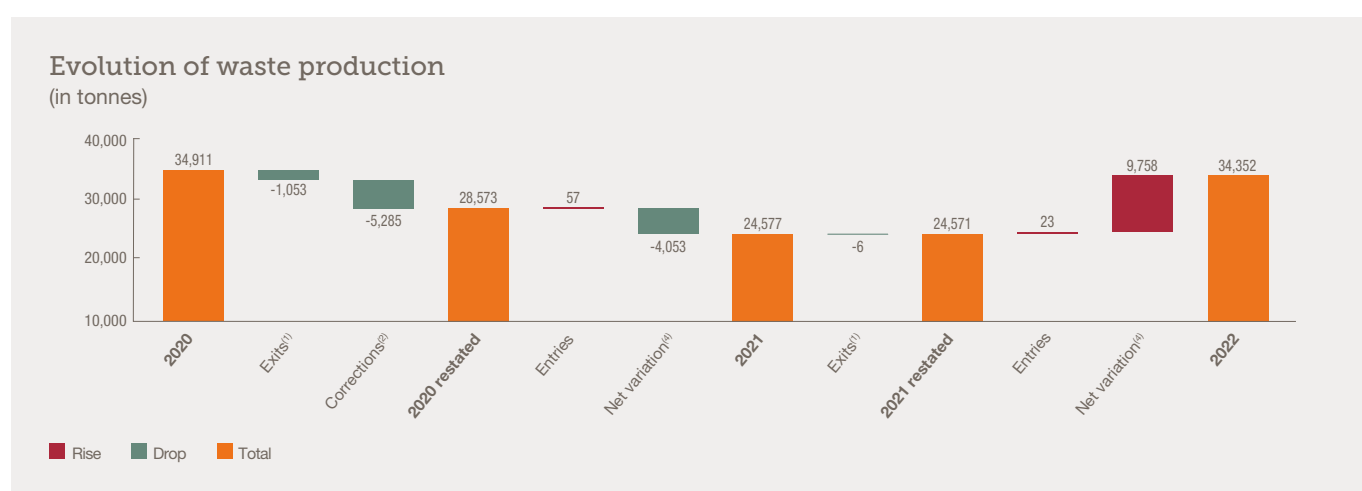
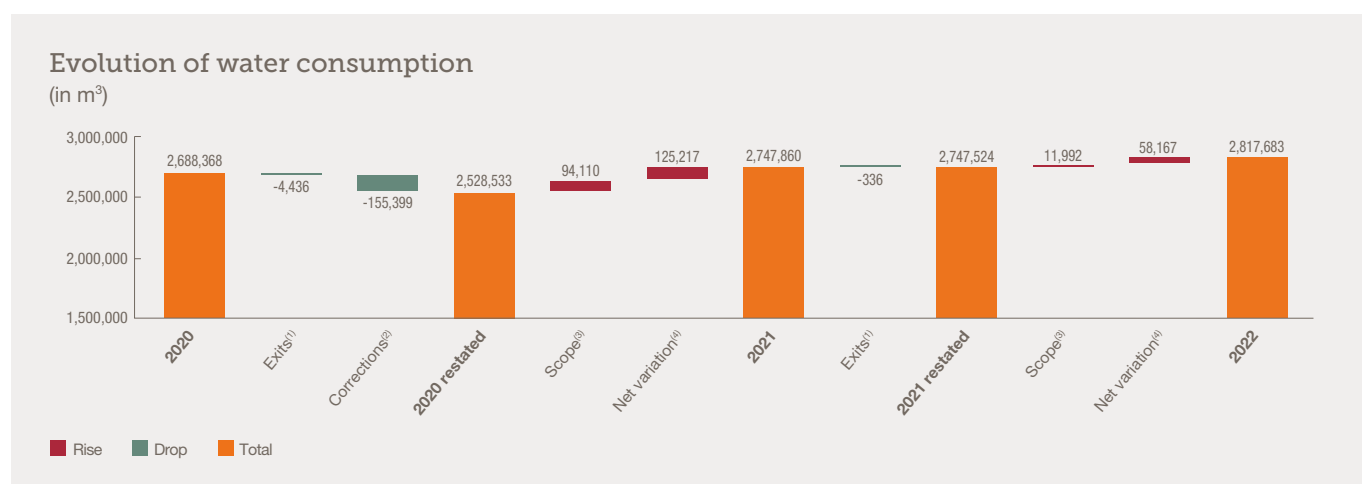
ANALYSIS OF THE RESTATEMENT OF DATA FOR FISCAL YEAR 2020-2021 AND EVOLUTION OF DATA FOR FISCAL YEAR 2021-2022 (DISCLOSED/RESTATED)



(1) Exits: impact of the withdrawal of data from fiscal year 2020-2021 for companies exiting Vilmorin & Cie's scope during fiscal year 2021-2022.

(2) Corrections: impact from the modification of certain values for fiscal year 2020-2021, which turned out to be incorrect when checking figures for fiscal year 2021-2022.

(3) Net variation: evolution on a like-for-like basis.



- (1) Exits : impact of the withdrawal of data from fiscal year 2020-2021 exiting Vilmorin & Cie's scope during fiscal year 2021-2022.
(2) Corrections: impact from the modification of certain values for fiscal year 2020-2021, which turned out to be incorrect when checking figures for fiscal year 2021-2022.
(3) Scope: impact of companies entering Vilmorin & Cie's scope during the course of fiscal year 2021-2022.
(4) Net variation: evolution on a like-for-like basis.

5.5.2.3. SOCIETAL DATA

	Societal commitment (in €)	Proportion of sales (in ‰)
2019-2020 ⁽¹⁾	498,328	0.35
2020-2021 ⁽¹⁾	604,160	0.41
2021-2022	680,378	0.43

(1) In order to ensure the comparability of data, values for fiscal years 2019-2020 and 2020-2021 have been recalculated using the method applied for fiscal year 2021-2022.

5.5.3. INFORMATION PUBLISHED UNDER EU TAXONOMY REGULATION 2020/852

5.5.3.1. CONTEXT AND REGULATIONS

The aim of the “European Green Deal” – is to enable Europe to achieve carbon neutrality by 2050. In this context, a new classification system has been introduced through Regulation (EU) 2020/852 of June 18, 2020, known as the “Taxonomy Regulation”. The resulting delegated act, adopted on June 4, 2021, specifies the contours through the definition of technical review criteria to establish a common language on the concept of sustainability; this involves asking companies to distinguish their economic activities qualified as or called “sustainable” in environmental terms from their other economic activities. Ultimately, this text aims to direct capital flows towards economic activities that can be considered to contribute substantially to at least one of the six climate and environmental objectives set out in the Taxonomy Regulation:

- climate change mitigation,
- climate change adaptation,
- the sustainable use and protection of water and marine resources,
- transition to a circular economy, prevention of waste and recovery,
- pollution prevention and control,
- the protection and restoration of biodiversity and ecosystems.

On July 6, 2021, the delegated act called “Article 8”, concerning the content and presentation of the information to be provided, was adopted. In this context, simplified provisions have been provided for the first year of application - i.e. the fiscal year ending June 30, 2022 for Vilmorin & Cie. They are based on the disclosure of three indicators, based on the consolidated financial statements, associated with the economic activities considered “eligible” with regard to the two climate objectives (climate change mitigation and climate change adaptation):

- the proportion of “turnover”,
- the proportion of capital expenditure (“CAPEX”),
- the proportion of operating expenditure (“OPEX”).

As of the next fiscal year (2022-2023), this disclosure will only consider economic activities that are “aligned” with these two climate objectives, among the eligible activities previously identified. To be considered “aligned”, and therefore sustainable, eligible activities will have to meet the following three cumulative conditions:

- respect the technical screening criteria set out in the Regulation (these criteria fix environmental performance thresholds),
- cause no significant harm to any of the other environmental objectives,
- be exercised in accordance with the guiding principles of the Organisation for Economic Co-operation and Development (OECD), the United Nations (UN) and the International Labour Organization (ILO) relating to human rights.

Finally, the Taxonomy Regulation will come fully into force from fiscal year 2023-2024: Vilmorin & Cie will then be required to disclose the proportion of its turnover, capital expenditure and operating expenditure associated with economic activities considered to be “aligned” with regard to the six objectives mentioned above.

5.5.3.2. ANALYSIS OF VILMORIN & CIE’S ACTIVITIES WITH REGARD TO THEIR ELIGIBILITY

As the delegated acts relating to agriculture had not been published by the date of publication of this annual report, Vilmorin & Cie has had to restrict its analysis as a matter of caution.

A preliminary analysis aimed at identifying the economic activities considered as “eligible” with regard to the two climate objectives of the Taxonomy Regulation has been carried out by Vilmorin & Cie, with the methodological support of the consultancy Mazars. Because the European regulatory framework relating to the classification of activities and the definition of indicators is sometimes insufficiently precise, the Company has had to use hypotheses and methods that are described in this section as soon as they are material, i.e. as soon as they are likely to have a significant impact on the present analysis.

According to the delegated act adopted on June 4, 2021, an activity is considered “eligible” if it is included in the list of activities in Annexes I and II. An activity can contribute to the climate objectives:

- through its own performance,
- when it directly allows the exercise of other sustainable activities (it is then qualified as an “enabling” activity),
- if it promotes the transition to a carbon-neutral economy and cannot be replaced by low-carbon alternatives that are technically and economically feasible (it is then qualified as a “transitional” activity).

The scope of eligible activities to date is relatively limited and not very material. For fiscal year 2021-2022, Vilmorin & Cie’s activities considered as “eligible” correspond to the sectors and activities described below and listed in the delegated acts dedicated to the objectives of climate change mitigation and climate change adaptation.

VILMORIN & CIE’S “ELIGIBLE” ACTIVITIES WITH REGARD TO THE CLIMATE CHANGE MITIGATION OBJECTIVE

- **5. Water supply, sewerage, waste management and remediation**
 - 5.1. Construction, extension and operation of water collection, treatment and supply systems
 - 5.2. Renewal of water collection, treatment and supply systems
 - 5.4. Renewal of waste water collection and treatment

- **6. Transport**
 - 6.5. Transport by motorbikes, passenger cars and light commercial vehicles
- **7. Construction and real estate activities**
 - 7.1. Construction of new buildings
 - 7.2. Renovation of existing buildings
 - 7.3. Installation, maintenance and repair of energy efficiency equipment
 - 7.6. Installation, maintenance and repair of renewable energy technologies
 - 7.7. Acquisition and ownership of buildings

VILMORIN & CIE'S "INDIVIDUALLY ELIGIBLE" ACTIVITIES WITH REGARD TO THE OBJECTIVE OF ADAPTATION TO CLIMATE CHANGE

- **9. Professional, scientific and technical activities**
 - 9.1. Engineering activities and related technical consultancy dedicated to adaptation to climate change
 - 9.2. Close to market research, development and innovation

Special case of activity 9.2.

Vilmorin & Cie is convinced that plant breeding* is at the heart of sustainable progress in agriculture, in particular by making it possible to meet the challenges of climate change. Nevertheless, as a precautionary measure and pending the publication of the delegated acts concerning agriculture, Vilmorin & Cie considered that it was premature to evaluate the contribution of its Research & Development programs to adaptation to climate change, in the absence of technical examination criteria applied to the agricultural sector.

Vilmorin & Cie has therefore chosen to publish two additional indicators as part of a proactive approach; they are presented in section 5.5.3.4. of this annual report.

5.5.3.3. REGULATORY INDICATORS OF THE TAXONOMY REGULATION

ANALYSIS OF THE INDICATOR "TURNOVER"

Definition and calculation of the indicator

The turnover ratio referred to in Article 8 paragraph 2(a) of Regulation (EU) 2020/852 is calculated as the share of net turnover derived from products or services associated with Taxonomy-eligible economic activities (numerator), divided by total turnover (denominator), as presented in paragraph 6.1.1., on page 178 in the consolidated income statement.

Analysis of the eligible turnover per activity

	Ratio of eligible turnover (M€)		
	<i>Climate change adaptation</i>		
	Numerator	Denominator	Ratio
9.1. Engineering activities and related technical consultancy dedicated to adaptation to climate change	<1	1,587	Not significant
9.2. Close to market research, development and innovation	Pending publication of the delegated acts on agriculture		

ANALYSIS OF THE INDICATOR "CAPITAL EXPENDITURE" ("CAPEX")

Definition and calculation of the indicator

The "CAPEX" ratio referred to in Article 8 paragraph 2(a) of Regulation (EU) 2020/852 is calculated by taking:

- for the denominator, as presented in note 15, 16 and 17, pages 209, 211 and 212 to the consolidated financial statements, all capital expenditures, including increases in the gross value of tangible and intangible fixed assets and rights of use of leased assets (recorded under IFRS 16), including those resulting from business combinations (entry into the scope of a subsidiary),
- for the numerator, capital expenditures related to:
 - an eligible activity: investments related to assets or processes associated with Taxonomy-eligible activities,
 - an investment plan whose objective is to create or transform an activity that will be Taxonomy-eligible,
 - individually eligible investments that are not related to a main activity.

Analysis of the eligible capital expenditure per activity

	Ratio of eligible CAPEX (M€)					
	Climate change mitigation			Climate change adaptation		
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio
Sector 6.	12	93	4%			
Sectors 5. and 7.	29	293	10%			
Sectors 9.						Not significant

ANALYSIS OF THE INDICATOR "OPERATING EXPENDITURE" ("OPEX")

Definition and calculation of the indicator

The "OPEX" ratio referred to in Article 8 paragraph 2(a) of Regulation (EU) 2020/852 is calculated by dividing the numerator by the denominator.

The denominator covers direct non-capitalized costs related to research & development, building renovation measures, short-term leases (not recorded under IFRS 16), maintenance and repairs, as well as any other direct expenditure related to the ongoing maintenance of tangible fixed assets necessary to ensure the continuous and efficient operation of these assets.

The numerator is equal to the portion of operating expenses included in the denominator that are related to:

- an eligible activity: OPEX related to assets or processes associated with Taxonomy-eligible activities,
- an operational expenditure plan with the objective of creating or expanding an activity that will be Taxonomy-eligible,
- individually eligible operating expenses, which are not related to a main activity.

The amount in the denominator that complies with the above definition represents an insignificant part of the Company's total operating expenses. In accordance with the Taxonomy Regulation and the permitted exemption measure, Vilmorin & Cie considered that this indicator was not material and therefore not disclosable.

5.5.3.4. VOLUNTARY INDICATORS DISCLOSED BY VILMORIN & CIE

Vilmorin & Cie sought to shed further light on this issue by presenting two voluntary indicators that it believes reflect its commitment to adapting to climate change. Indeed, while awaiting the publication of the delegated acts concerning agriculture, the Company considers that its research & development programs aim to breed, directly or indirectly, varieties that have the qualities necessary to adapt to climatic conditions and the consequences of their evolution, and are therefore in line with the Taxonomy Regulation.

In this respect, the indicators presented below include respectively the sales of varieties resulting from Vilmorin & Cie's research and the associated development programs that have been activated over the period (see paragraph 1.8.1.1., on page 58). It should be noted that the scope considered for the calculation of these indicators covers the consolidated scope, i.e. all the entities included in the consolidation scope in accordance with article L.233-16, which excludes joint ventures in particular.

In millions of euros	Numerator	Denominator	Ratio
Sales from proprietary varieties ⁽¹⁾	1,214	1,587	76.5%
Development programs activated over the period	196	293	66.9%

(1) Sales made from varieties that come from Vilmorin & Cie's research.

5.6. NON-FINANCIAL PERFORMANCE STATEMENT

5.6.1. THE NON-FINANCIAL PERFORMANCE STATEMENT FOR 2021-2022

Vilmorin & Cie is subject, for its fiscal year 2021-2022, to the requirements of articles L.225-102-1 and R225-104 to R225-105-2 of the French Commercial Code, transposing into French law European Directive 2014/95/EU of October 22, 2014 on the disclosure of non-financial information, and giving rise to the Non-Financial Performance Statement (NFPS) (Ordinance No. 2017-1180 of July 19, 2017 for the disclosure of non-financial information by certain large companies and corporate groups and its implementation decree No. 2017-1265 of August 9, 2017).

With Limagrain as its parent company and Reference shareholder, itself subject to the requirements relating to the NFPS, Vilmorin & Cie could have benefited from an exemption of subsidiaries included in the consolidation scope of this NFPS, but decided to draw up its own NFPS, without referring to the one published by Limagrain.

In its concern for the quality and exhaustiveness of the non-financial information transmitted to its stakeholders, Vilmorin & Cie has chosen to provide them with all the useful explanations they require. The document is based on the information required by the decree of August 9, 2017, and this annual report includes all the NFPS components set out in the chapters and sections making it as easy as possible for the reader to understand. Thus, Vilmorin & Cie's NFPS is formalized by a concordance table (presented in paragraph 5.6.2., on page 176) containing the constituent elements and their locations in this annual report.

During the fiscal year, the group Risk Management Insurance Department and the group CSR Department conducted joint work, based on the risk mapping updated in 2022, with the aim of identifying, analyzing and defining non-financial risks.

Seven non-financial risks are described in part 2, Risk Factors. The identification and management of each of these risks are presented in specific paragraphs:

- 2.2.1.1. Risks related to cybersecurity,
- 2.2.3.1. Risks related to reputation or image,
- 2.2.4.1. Risks related to product quality,
- 2.2.4.2. Risks related to the procurement and purchase of key services and supplies,
- 2.2.5.1. Risks related to the health/safety of persons and the safety of property,
- 2.2.5.2. Risks related to the security of persons and property,
- 2.2.7.1. Risks related to intellectual property.

Four other non-financial risks, not considered to be among the most critical, and therefore not described in Part 2 "Risk Factors", are described in this Part 5. Their identification and management are set out with the policy implemented, performance indicators and the measures undertaken, in the following paragraphs:

- 5.3.2.4/5.3.2.6. Risks related to attracting and retaining talent,
- 5.3.2.6. Risks related to managing mobility, careers and skills,
- 5.3.3. Risks related to the compliance of its practices with regard to the Ethical Principles and anti-corruption laws,
- 5.3.4. Risks of pollution and environmental non-compliance.

However, other important issues with regard to Vilmorin & Cie's liability or stakeholders' expectations need to be presented, in spite of their absence from the risk mapping. These are therefore treated as non-financial issues:

- 5.2.3.2. Preserving and enriching cultivated biodiversity,
- 5.3.2.7. Diversity and inclusion,
- 5.3.3.2. Respect for Human Rights and the Rights of the Child,
- 5.3.3.3. A responsible purchasing policy to consolidate relations with suppliers,
- 5.3.4.1. Energy and greenhouse gas emissions,
- 5.3.4.2. Managing water quality and its effluents,
- 5.3.4.3. Managing and recovering waste,
- 5.3.4.4. Preserving biodiversity at sites.

In addition, and in accordance with the French legislative provisions of 2018 resulting from the law on the freedom to choose one's professional future (law No. 2018-771 of September 5, 2018) on the one hand, and the law on the fight against fraud (law No. 2018-898 of October 23, 2018), Vilmorin & Cie is also taking measures in favor of the disabled as well as those relating to the fight against tax fraud (this information is set out in detail respectively in paragraph 5.3.2.7., on page 150 and in paragraph 5.3.3.6., on page 154).

Moreover, the law of October 30, 2018, for the balance of trade relations in the agricultural and food sector, and healthy, sustainable and accessible food for all, known as the EGalim law, provides in its article 55 that the NFPS must include information on the Company's societal commitments to combat food insecurity, respect for animal welfare and responsible, equitable and sustainable food. Vilmorin & Cie, as a seed company, is not directly concerned by this information.

Finally, the law of March 2, 2022, which came into force on March 6, aimed at democratizing sport in France, modified the list of information to be included in a NFPS in its article 27. It is now

necessary to present the actions whose objective is to promote the practice of physical and sports activities. This information is presented in detail in paragraph 5.3.2.1, on page 142.

5.6.2. VILMORIN & CIE'S NFPS CONCORDANCE TABLE

The concordance table below can be used to locate all the elements of the NFPS set out in this annual report:

NFPS elements	Sections
Strategy and Business model	1.3. Challenges facing the seed segment 1.4. The seed market 1.6. Business model 1.7. Development model 1.8. Strategy and objectives
Identification and description of the main non-financial risks related to the business	2. Risk factors 5.6. The Non-Financial Performance Statement
Description of the policies, results and performance indicators	5.2. Contributing to the lasting progress of agriculture through seeds 5.3. Acting responsibly 5.4. Encouraging cooperation

The table below provides a summary presentation of all the risks and related issues:

Issues	Risks identified as material	Issues related to the risks	Risk analysis – part 2
Information systems	Information system 5.4.5.1. Cybersecurity 5.4.5.2. The architecture of information systems		2.2.1.1. Risks related to cybersecurity
Communication	Communication 5.2.4. Nurturing societal dialogue on seed issues		2.2.3.1. Risks related to reputation or image
Quality	Product quality 5.2.5. Proposing safe, high-quality products		2.2.4.1. Risks related to product quality
Purchases	Responsible purchasing 5.3.3.3. A responsible purchasing policy to consolidate relations with suppliers		2.2.4.2. Risks related to the procurement and purchase of key services and supplies
Intellectual property	Intellectual property 5.2.3.1. Preserving an environment that is favorable to plant breeding*		2.2.7.1. Risks related to intellectual property
Environment	Pollution and environmental non-compliance at the sites 5.3.4. Limiting the environmental impact of business activities	5.3.4.1. Energy and greenhouse gases 5.3.4.2. Managing water quality and its effluents 5.3.4.3. Managing and recovering waste 5.3.4.4. Preserving biodiversity at sites 5.2.3.2. Preserving and enriching cultivated biodiversity	
Ethics and legal affairs	Ethics 5.3.3. Acting in accordance with the Ethical Principles and Code of Conduct	5.3.3.2. Respect for Human Rights and Rights of the Child 5.3.3.3. A responsible purchasing policy to consolidate relations with suppliers	
Human resources	Safety and health 5.3.2.1. An ambitious health/safety policy		2.2.5.1. Risks related to the health/safety of persons and the safety of property 2.2.5.2. Risks related to the security of persons and property
	Attractiveness and talent retention 5.3.2.4. Attractiveness 5.3.2.6. Developing and retaining talent		
		5.3.2.7. Diversity and inclusion	

A close-up, slightly blurred photograph of a watermelon with its characteristic green and dark green stripes. The watermelon is the central focus, with its stem visible at the top. The background is a soft, out-of-focus green, suggesting more watermelons or foliage.

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6.1. CONSOLIDATED FINANCIAL STATEMENTS

6.1.1. CONSOLIDATED INCOME STATEMENT

In millions of euros	Note	21-22	20-21
Revenue from ordinary activities	5	1,587.2	1,476.6
Cost of goods sold		-815.7	-748.6
Marketing and sales costs		-213.0	-193.4
Research & development costs	8	-227.5	-217.0
Administrative and general costs		-198.2	-189.3
Other operating income and charges	9	3.5	-0.9
Operating income		136.3	127.4
Profit from associated companies	19	17.9	26.3
Net cost of financial debt	10	-25.4	-25.1
Other financial income and charges	11	-8.0	-21.8
Income taxes	12	-25.4	-13.4
Profit from continuing operations		95.4	93.4
Profit from discontinued operations		-	-
Net income for the period		95.4	93.4
> Attributable to controlling company		92.2	92.3
> Attributable to non-controlling minority		3.2	1.1
Earnings from continuing operations per share - attributable to controlling company	13	4.02	4.03
Earnings from discontinued operations per share - attributable to controlling company	13	-	-
Earnings for the period per share - attributable to controlling company	13	4.02	4.03
Diluted earnings from continuing operations per share - attributable to controlling company	13	3.98	4.02
Diluted earnings from discontinued operations per share - attributable to controlling company	13	-	-
Diluted earnings for the period per share - attributable to controlling company	13	3.98	4.02

DETAILS OF THE GAINS AND LOSSES FOR THE FINANCIAL YEAR

In millions of euros	21-22	20-21
Income for the fiscal year	95.4	93.4
Variation in currency translations	77.0	-38.1
Variation in the fair value of forward cover instruments	-0.4	7.0
Impact of hyperinflationary currency adjustments	-10.1	-
Impact of taxes	-0.8	-0.3
Items recognized in the income	65.7	-31.4
Variation in the fair value of forward cover instruments	-0.3	-0.9
Actuarial losses and gains	11.9	19.1
Impact of taxes	-2.1	-4.6
Items not recognized in the income	9.5	13.6
Other items in the total gains and losses for the period net of taxes	75.2	-17.8
Global income for the fiscal year	170.6	75.6
> of which attributable to controlling company	171.9	74.7
> of which attributable to non-controlling minorities	-1.3	0.9

6.1.2. FINANCIAL PROGRESS REPORT

ASSETS

In millions of euros	Note	06.30.22	06.30.21
Goodwill	14	455.5	429.5
Other intangible fixed assets	15	774.1	741.5
Tangible fixed assets	16	319.0	297.6
Right-of-use leased assets	17	88.0	61.6
Non-current financial fixed assets	18	21.4	24.6
Equity shares	19	411.5	385.0
Deferred taxes	26	30.0	28.3
Total non-current assets		2,099.5	1,968.1
Inventories	20	583.8	504.8
Trade receivables and other receivables	21	557.7	505.5
Cash and cash equivalents	22	321.3	280.5
Total current assets		1,462.8	1,290.8
Total assets		3,562.3	3,258.9

LIABILITIES

In millions of euros	Note	06.30.22	06.30.21
Share capital	23	349.5	349.5
Reserves and income	23	1,085.1	931.7
Equity – controlling company	23	1,434.6	1,281.2
Equity – non-controlling minorities	24	48.8	47.8
Consolidated equity		1,483.4	1,329.0
Provisions for employee benefits	25	36.3	49.0
Non-current financial liabilities	28	1,088.3	994.8
Non-current lease obligations	29	63.1	43.0
Deferred income taxes	26	101.0	92.4
Total non-current liabilities		1,288.7	1,179.2
Other provisions	27	13.8	16.8
Accounts payable	30	587.0	527.2
Deferred income	31	31.0	29.7
Current financial liabilities	28	134.1	157.3
Current lease obligations	29	24.3	19.7
Total current liabilities		790.2	750.7
Total liabilities		3,562.3	3,258.9

6.1.3. CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	Note	06.30.22	06.30.21
1 - Trading operations			
Income for the fiscal year		95.4	93.4
Results of companies consolidated under the equity method after dividends	19	-7.9	-21.8
Depreciation, amortization and impairments	7	255.8	239.8
Net provisions		-2.4	0.3
Variation in deferred taxes	12	2.5	-8.1
Income from capital operations		-1.0	-4.5
Non-cash financial charges		1.4	0.5
Fair value losses and gains on unconsolidated equity investments		-0.2	-
Other restatements		0.1	0.4
Cash flows		343.7	300.0
Dividends received on unconsolidated equity securities		-	-
Variation in working capital needs with comparable scope			
> Inventories	20	-55.4	15.0
> Trade receivables	21	-37.9	-22.3
> Short-term debts		43.6	49.4
Cash flows from operating activities		294.0	342.1
2 - Investment operations			
Disposal of fixed assets		2.7	7.4
Acquisition of fixed assets			
> Intangible fixed assets	14/15	-207.6	-198.6
> Tangible fixed assets	16	-43.5	-43.7
Variation in financial fixed assets	18	4.2	6.5
Cash flow acquired through scope entries		-	2.7
Cash flow conceded through cash exits		-0.1	-0.1
Net increase/decrease in cash and cash equivalents		-9.3	4.1
Cash flows from investing activities		-253.6	-221.7
3 - Financing operations			
Increase/decrease in equity		-2.5	0.7
Transactions with non-controlling interests	3	-	22.5
Increase/decrease in financial liabilities	28	58.2	-14.3
Variation in leasing obligations	29	-26.5	-25.1
Purchases/sales by the company of treasury shares		0.2	-0.2
Dividends received on unconsolidated participations		-	-
Dividends paid out		-37.4	-23.9
Impact of changes in cash position		0.5	-32.8
Cash flows from financing operations		-7.5	-73.1
4 - Net effect of currency translation		7.9	-2.0
5 - Net increase/decrease in cash and cash equivalents		40.8	45.3
6 - Cash and cash equivalents at beginning of period	22	280.5	235.2
7 - Cash and cash equivalents at end of period	22	321.3	280.5

6.1.4. VARIATION IN CONSOLIDATED EQUITY

In millions of euros	Attributable to controlling company					Attributable to non-controlling company	Total
	Capital	Premiums	Income and other reserves	Currency translation reserves	Total		
07.01.20	349.5	300.6	661.4	-96.7	1,214.8	15.0	1,229.8
Other items of the comprehensive income net of taxes	-	-	20.1	-37.7	-17.6	-0.2	-17.8
Net income	-	-	92.3	-	92.3	1.1	93.4
Comprehensive income for the fiscal year	-	-	112.4	-37.7	74.7	0.9	75.6
Variation in treasury shares	-	-	-0.1	-	-0.1	-	-0.1
Dividends paid out	-	-	-22.9	-	-22.9	-1.6	-24.5
Variations in scope	-	-	-	-	-	7.2	7.2
Variation in the capital stock of the subsidiaries	-	-	-0.5	-	-0.5	0.7	0.2
Variation in minority interest shares	-	-	0.6	-	0.6	16.4	17.0
Bonds redeemable as shares ⁽¹⁾	-	-	-	-	-	9.5	9.5
Impact of hyperinflationary currency adjustments	-	-	15.9	-	15.9	-	15.9
Reclassifications	-	-	-5.7	5.7	-	-	-
Others	-	-	-1.3	-	-1.3	-0.3	-1.6
06.30.21	349.5	300.6	759.8	-128.7	1,281.2	47.8	1,329.0
Other items of the comprehensive income net of taxes	-	-	0.6	79.1	79.7	-4.5	75.2
Net income	-	-	92.2	-	92.2	3.2	95.4
Comprehensive income for the fiscal year	-	-	92.8	79.1	171.9	-1.3	170.6
Variation in treasury shares	-	-	0.1	-	0.1	-	0.1
Dividends paid out	-	-	-36.2	-	-36.2	-1.4	-37.6
Variations in scope	-	-	-	-	-	-	-
Variation in the capital stock of the subsidiaries	-	-	-0.7	-	-0.7	1.4	0.7
Variation in minority interest shares	-	-	0.4	-	0.4	-0.1	0.3
Bonds redeemable as shares ⁽¹⁾	-	-	-	-	-	-	-
Impact of hyperinflationary currency adjustments	-	-	13.8	1.3	15.1	3.8	18.9
Reclassifications	-	-	-0.4	0.4	-	-	-
Others	-	-	2.8	-	2.8	-1.4	1.4
06.30.22	349.5	300.6	832.4	-47.9	1,434.6	48.8	1,483.4

(1) Cf. Note 24.

6.1.5. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1: ACCOUNTING METHODS AND PRINCIPLES IN IFRS STANDARDS

1 - GENERAL CONTEXT AND DECLARATION OF COMPLIANCE

DECLARATION OF COMPLIANCE

These financial statements present the consolidated accounts in accordance with the international accounting standards (IFRS standards) published by the International Accounting Standards Board (IASB) and with the interpretations of the IFRS standards published by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as applied by the European Union on June 30, 2022 (website: <http://ec.europa.eu>).

The consolidated financial statements were approved by the Board of Directors on October 12, 2022 and will be submitted for approval to the Annual General Meeting of December 9, 2022.

HYPERINFLATION

As of February 28, 2022, Turkey entered the list of hyperinflationary countries according to the criteria defined by the standard IAS 29, the general consumer price index having risen from 53% as of November 30, 2021 to 101% as of February 28, 2022.

As from July 1st 2021, the group has applied, for the preparation of its consolidated financial statements, the specific accounting rules provided for by this standard to the transactions of its subsidiaries: Hazera Tohumculuk, HM.CLAUSE Tohumculuk, Limagrain Tohumculuk and Vilmorin-Mikado Turkey, all of which operate in this country and whose functional currency is the Turkish lira. Data relating to previous periods have not been restated, in accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates."

Under standard IAS 29:

- non-monetary items (fixed assets, equity, inventories) are revalued,
- monetary items (receivables, payables, cash), already expressed in purchasing power units at the balance sheet date, are not restated.

The gain or loss on the net monetary position for the period is recognized in "Other financial income and charges."

In order to revalue the financial statements concerned, Vilmorin & Cie used the CPI (Consumer Price Index). The impact of the first application of IAS 29 was directly recognized in the opening equity. The CPI (Consumer Price Index) was valued at 547.5 on June 30, 2021 and 977.9 on June 30, 2022.

2 - BASES OF EVALUATION USED TO ESTABLISH CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been established using the historical cost convention, with the exception of certain categories of assets and liabilities measured at fair value, such as certain financial assets and liabilities, in compliance with IFRS rules. The categories concerned are mentioned in the following Notes.

3 - THE USE OF ESTIMATES

In order to establish its financial statements, the Executive Committee of Vilmorin & Cie must carry out a number of estimates and make hypotheses that affect the book value of the assets and liabilities, the revenue and the charges, and also the information provided in the Notes.

The Executive Committee of Vilmorin & Cie carries out these estimates and assessments on an ongoing basis, taking into account its experience and various other factors deemed to be reasonable that form the basis of these assessments.

The figures appearing in future financial statements are liable to differ from these estimates, depending on the evolution of these hypotheses or different conditions.

The main significant estimates made by the Executive Committee of Vilmorin & Cie in particular concern the evolution of commitments to employees, goodwill, other intangible fixed assets, provisions, right-of-use of leased assets and leasing obligations.

4 - ACCOUNTING TREATMENT AND SIGNIFICANT CHANGES TO ACCOUNTING METHODS

4.1 - ACCOUNTING OF PUT OPTIONS GRANTED TO CERTAIN MINORITY SHAREHOLDERS

Vilmorin & Cie may grant, to minority Shareholders of certain of its subsidiaries consolidated by global integration, commitments to buy back their minority stakes. These commitments may take the form of a put option or a firm commitment to buy the stakes at a pre-fixed date.

In IFRS standards, until there is a specific IFRIC interpretation or IFRS standard, Vilmorin & Cie has decided to apply provisionally the following accounting treatment, referred to as "accelerated vesting":

- At initial recording in the accounts, the commitment to buy back a minority stake is recorded as a financial debt at the discounted value of the price of the option or firm commitment to buy back the stake, in return for the derecognition of minority interests, and for the balance, in return for the goodwill.
- Any ultimate variation in the value of the commitment is recorded in the income statement for any transactions occurring after the application of the revised standard IFRS 3.
- Where necessary, when the commitment and its subsequent variations are first recorded in the accounts, the anticipated loss on the acquisition cost is recorded in "Variation in commitments to buy back minority stakes."
- When the commitment reaches maturity, if there is no acquisition, previous recordings are cancelled. If the acquisition materializes, the amount recorded as a financial debt is cancelled out by the disbursement for the acquisition of the minority stake.

FINANCIAL INFORMATION

6.1. CONSOLIDATED FINANCIAL STATEMENTS

4.2 - APPLICATION AND INTERPRETATION OF STANDARDS AND REGULATIONS

4.2.1 - The new standards, interpretations and amendments to existing standards, adopted by the European Union and applicable to fiscal periods as of July 1, 2021 did not have any significant impact on the group's financial statements:

- Amendment to IFRS 16 on Covid-19-related rent concessions beyond June 30, 2021.
- Amendment to IFRS 9 "Financial instruments", IFRS 7 "Financial instruments: Disclosures" & IFRS 16 "Leases" phase 2 in connection with the reform of interbank benchmark rates.

IFRIC IC conclusions on attributing post-employment benefit to periods of service

IFRS IC has clarified interpretation of the standard IAS 19 "Employee benefits" specifying, for retirement plans requiring presence in the company at the date of retirement, and for which the rights, depending on seniority, are capped after a certain number of years, to constitute the provision during the last years making it possible to reach the cap at the date of retirement. Previously, the provision was recorded on a pro rata basis from the date of entry to the date of retirement, based on a projected commitment at the date of retirement.

The first application of this clarification did not have any significant impact on the group's consolidated financial statements.

IFRIC IC findings on accounting for configuration and customization costs related to Software as a Service (SaaS)

IFRIC IC has clarified the accounting treatment applicable to the costs of configuration and customization of Software as a Service (SaaS) that the entity does not control and to which it has only a right of access.

These costs should be recognized as expenses if they are not themselves a resource controlled by the company.

Furthermore, when configuration and customization work is performed by the software publisher or one of its subcontractors and constitutes within the meaning of IFRS 15 a separate service from access to the software, the associated expenses must be spread over the duration of the software access service. Otherwise, these configuration and customization costs are recognized as an expense as soon as they are performed.

The costs concerned are currently being identified and analyzed. The Group does not anticipate any significant impact from the implementation of this decision.

European Regulation on ESEF Reporting (Delegated Regulation (EU) 2019/815, amended by Delegated Regulation (EU) 2022/352)

In accordance with the defined timetable, Vilmorin & Cie is publishing its Annual Financial Report (AFR) in the European Single Electronic Format (ESEF), with the tagging of its primary financial statements, as from this fiscal year opened as of July 1st 2021.

4.2.2 - The new standards, interpretations and amendments to existing standards, adopted by the European Union and applicable to fiscal periods opened as of July 1, 2021 have not been adopted in advance by Vilmorin & Cie:

- Amendments to the standard IAS 16 "Property, Plant and Equipment" on the recognition of revenue from the sale of property, plant and equipment and the related costs prior to the intended use of the asset.
- Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" on contract performance costs.
- Amendments to IFRS 3 "Business Combinations" on references to the conceptual framework.
- Amendments to IAS 12 "Income Taxes" on deferred taxes on assets and liabilities arising from a single transaction.
- Annual improvements to IFRS - 2018-2020 cycle (minor amendments to the standards IFRS 1, IFRS 9, IAS 41, IFRS 16).

European Regulation on ESEF Reporting (Delegated Regulation (EU) 2019/815, amended by Delegated Regulation (EU) 2022/352)

Vilmorin & Cie will publish, as from the fiscal year beginning on July 1, 2022, its Annual Financial Report (AFR) in the European Single Electronic Format (ESEF), with block tagging of its notes, in addition to its primary financial statements.

4.2.3 - The following standards, regulations, interpretations and amendments to existing standards adopted by the European Union became mandatory for the Group as of July 1, 2021:

- Amendments to IAS 1 "Disclosure of Accounting Policies."
- Amendments to IAS 8 "Definition of accounting estimates."

5 - CONSOLIDATION METHODS (IFRS 10, IFRS 11, IAS 27, IAS 28)

The financial statements of subsidiaries:

- are included in the consolidated financial statements as of the date on which control is obtained right up until the date when control ceases,
- are prepared in accordance with the revised standard IAS 27 "Separate financial statements" and IFRS 10 "Consolidated Financial Statements."

The following rules have been applied:

- Subsidiaries in an entity controlled directly or indirectly by the group are consolidated by global integration. In accordance with the standard IFRS 10 "Consolidated financial statements", control is defined using the single model criteria based on three cumulative conditions. An investor holds power over an investee when it controls this investee, when it has exposure, or rights, to variable returns from involvement with the investee, and when it has the ability to use its power over the investee to affect the amount of the investor's returns.

- The standard IFRS 11 eliminated the method of proportional integration and henceforth two types of joint arrangement are distinguished:
 - Joint arrangements qualified as “joint operations” whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement. They are recorded in the accounts according to the proportion of assets, liabilities, income and charges controlled by the group. A joint operation may be structured through a distinct vehicle or not.
 - Joint arrangements qualified as “joint ventures” whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. They are consolidated by the group using the equity method.
- All internal transactions are eliminated in consolidation, particularly:
 - reciprocal transactions and accounts,
 - dividends paid out between consolidated companies,
 - provisions and write-back of impairment on consolidated securities,
 - internal margins on inventory,
 - capital gains or losses on internal disposals.

6 - BUSINESS COMBINATIONS (REVISED IFRS 3)

Business combinations are recorded by applying the acquisition method on the acquisition date, which is the date on which control is transferred to Vilmorin & Cie.

Vilmorin & Cie values goodwill:

- at the fair value of the consideration transferred,
- plus the recognized amount of any non-controlling interest in the acquiree,
- plus, if the business combination is carried out in stages, the fair value of any participation previously held in the acquiree,
- minus the net recognized amount (usually the fair value) of the identifiable assets acquired and liabilities assumed, all measured on the acquisition date.

If the difference above is negative, the resulting gain is recognized as a bargain purchase in profit or loss.

The consideration transferred includes the fair values of the transferred assets, Vilmorin & Cie's liabilities to the previous owners of the acquiree, and the participating interests issued by Vilmorin & Cie. The consideration transferred also includes the fair value of any consideration and payment rights based on the shares of the acquired company which must be replaced in the business combination (see hereafter). If pre-existing relationships between Vilmorin & Cie and the acquiree are terminated as a result of the business combination, the lower of the two values, between the termination value (cited in the contract) and the value of the non-marketable portion, is deducted from the consideration transferred, and is recognized as other costs.

When rights to share-based payments that are replaced by rights (replacement rights) owned by employees at the acquiree (the acquiree's rights) relate to past services, part of the market-based assessment of the replacement right is included in the consideration transferred. Insofar as services are also necessary in the future, the difference between the amount included in the consideration transferred and the market-based assessment of the value of the replacement rights is treated as a replacement cost after the business combination.

A contingent liability of the acquiree is only taken into consideration in the business combination when the liability represents a current commitment and derives from past events, and if its fair value can be reliably measured.

Vilmorin & Cie values non-controlling interests pro rata at the date of acquisition, either at their fair value or according to their interests in the acquiree's identifiable assets.

Transaction costs incurred by Vilmorin & Cie arising in connection with a business combination (brokerage costs, legal costs, due diligence costs, costs of consultants and experts, etc.) are recognized immediately as they occur.

Acquisitions of participations which do not transfer control are recorded as transactions with the owners and consequently no goodwill results from such transactions. Adjustments of the non-controlling interests for transactions which do not lead to losses of control are determined on the basis of the share of the subsidiary's net assets.

7 - OPERATING SEGMENTS

The standard IFRS 8 “Operating segments” defines an operating segment as the component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses,
- whose operating results are reviewed regularly by the entity's “chief operating decision-maker” to make decisions about resources to be allocated to the segment and assess its performance and,
- for which discreet financial information is available.

8 - CONVERTING STATEMENTS EXPRESSED IN FOREIGN CURRENCIES (IAS 21)

Vilmorin & Cie's financial statements are presented in euros.

Balance sheets of companies whose functional currency is not the euro are converted into euros at the exchange rate in force at close, and their income and cash flow statements by applying the exchange rate in force at the date of the transactions.

Resulting translation differences are recorded in the equity on the line “Currency translations” for the share of the controlling company, and on the line “Minority interests” for the minorities' share.

Goodwill and adjustments in fair value originating in the acquisition of a foreign entity are considered as the assets and liabilities of the foreign entity. They are therefore expressed in the functional currency of the entity and translated at the closing rate for the year.

At the end of the fiscal year, monetary assets and liabilities expressed in foreign currencies are translated at the exchange rate in force at the closing date for the year. The resulting exchange differences are recorded in the income statement (in "Other financial profits and costs").

Translation differences for financial instruments expressed in foreign currencies and corresponding to net forward investment in a foreign subsidiary are recorded in equity in the line "Currency translation." They are recorded in the income statement when the activity is taken out of the foreign country.

9 - INTANGIBLE FIXED ASSETS (IAS 38)

Intangible fixed assets are recorded at acquisition cost, and other intangible fixed assets created internally are recorded at cost value.

When their duration of use is defined, intangible assets are amortized over their expected duration of use by Vilmorin & Cie. This duration is determined for each individual case depending on the nature of the items included in this line.

When their duration of use is undefined, intangible fixed assets are not amortized, but they are submitted to systematic annual value loss tests.

Consequently, intangible fixed assets with a defined duration of use are valued at cost price less the aggregate of amortizations and any value loss, whereas intangible fixed assets with an undefined duration of use are valued at cost price less the aggregate of value losses.

The main categories of other intangible fixed assets at Vilmorin & Cie are as follows:

9.1 - DEVELOPMENT COSTS

Development costs, net of any associated tax relief on research, are recorded as intangible fixed assets when their activation meets all five of the following conditions:

- The projects are clearly identified and the costs concerned are treated individually and are evaluated in a reliable manner.
- Technical feasibility of the projects is shown.
- There is both an intention and capacity to see the projects through to the end, and use or sell any products that result from these projects.
- There is a potential market for the production generated by these projects, or their internal utility has been demonstrated.
- The resources necessary to run the projects right up to their conclusion are available.

As a consequence, Vilmorin & Cie's development projects are recorded as fixed assets under the following conditions:

- projects recorded as fixed assets correspond to work leading to the development of new products, or to industrial processes relative to Vilmorin & Cie's business,
- the business field concerned is that of Vilmorin & Cie's seed activities.

Work taken into account when costing development projects recorded as fixed assets includes, in particular:

- Plant improvement as such, and particularly conventional breeding*, genome* analysis work on species the company does research into, molecular marking* and routine laboratory work used by breeders*.
- Trials, tests and experiments, the production of seeds at a pilot stage, registration fees, homologation fees or fees to maintain rights on products being launched.
- The development of new technologies that aim to improve the performance of seeds such as: coating, pelleting, priming, etc.
- Intellectual property activities connected to the registration of patents, Soleau envelopes, Proprietary Variety Protection Certificates, freedom to operate studies, etc.
- The development of new processes or industrial pilots for the transformation of plant-based raw materials or more elaborate products, including food and ingredients.

Work done before the above-described process is not taken into account in the definition of development costs (for example: transgenesis*, or the search for new genetic resources*).

Moreover, only the charges that can be directly allocated to the programs concerned can be included in the calculation of the cost of projects recorded as fixed assets.

Development programs recorded as fixed assets are amortized using the straight-line method over a five-year period as of the first year.

9.2 - GOODWILL

Goodwill represents the difference between the acquisition cost of consolidated securities and the share of Vilmorin & Cie in the fair value of their assets, liabilities and any contingent liabilities that can be identified on the date of acquisition of control.

Goodwill is subject to a value loss test at least once every year. The methodology adopted is described hereafter in Note 1 paragraph 11. Any impairment recorded is irreversible.

Goodwill concerning companies consolidated under the equity method is recorded in "Equity shares". In compliance with the standard IAS 28, the group applies the provisions of the standard IFRS 9 to determine whether it is necessary to conduct an impairment test on the basis of a value loss indicator, determined according to the rules defined by the standard IAS 36. If, at a later date, the recoverable value increases, a value loss write-back is recorded.

9.3 - BRANDS, PATENTS, LICENSES

The cost of these assets corresponds to:

- The purchasing price plus any cost that can be directly shown to be due to the preparation of the asset for its planned use, for assets acquired separately.
- The fair price, at acquisition date, for any assets acquired through business combinations.
- Where appropriate, amortization of these assets is recorded in the income statement on a straight-line basis over their estimated useful life.

9.3.1 - Brands

Their economic life span is considered to be indefinite and consequently brands are not amortized.

The classification of a brand as an asset with an unlimited life results, in particular, from the following indicators:

- positioning of the brand on its market in terms of volume of business and image,
- long-term perspectives for profitability,
- risk factor with regard to one-off accidents,
- major event occurring in the business sector, likely to leave its mark on the future of the brand,
- age of the brand,
- regular expenses on advertising and promotion.

They are regularly assessed and tested using defined Cash Generating Units (CGUs).

9.3.2 - Patents

The duration of use of patents corresponds to their legal duration of protection.

9.3.3 - Licenses

The duration of use of licenses corresponds to the period during which they can be used by contract.

9.3.4 - Software

Depending on the field of application of the software, and taking technological obsolescence into account, the economic life varies from three to seven years.

9.4 - GERmplasm

Germplasm comprises all the plant material used to breed new varieties of seeds, the prerequisite of which is a collection of plants that is as wide and diversified as possible.

Generally acquired by Vilmorin & Cie at a fair price and through business combinations, it is systematically worked on with a view to enriching, characterizing and maintaining it to preserve its quality and ensure it is available to the different research teams.

These research teams constantly sift through this plant library to make use of the primary resources that are required for the creation of new products.

Built up over the years, this genetic material has been improved as seed companies and breeding* programs have been acquired, and research partnerships have been set up.

Bearing in mind that it needs to be kept permanently in good condition, regularly maintained and continually used in the process of plant breeding*, Vilmorin & Cie considers that its economic life is indefinite. Consequently, these assets are not amortized.

In compliance with the standard IAS 36, an impairment test is conducted on germplasm to compare its recoverable value to its book value; such a test is conducted every year and each time there is any indication of value loss. Since this germplasm does not produce any independent cash flows, it is tested in the Cash Generating Unit (CGU) to which it belongs during the annual goodwill impairment test (cf. Note 1 paragraph 9.2).

10 - TANGIBLE FIXED ASSETS (IAS 16)

Tangible fixed assets are recorded at their acquisition cost or, where appropriate, their production cost less depreciation and losses of value.

10.1 - LOAN INTERESTS

In compliance with the standards IAS 16 and IAS 23R, interests on loans taken out for purposes of construction and the acquisition of tangible assets are incorporated into the cost of the assets unless they fail to meet the criteria listed in paragraph 12 of the standard IAS 23R.

10.2 - COMPONENTS APPROACH

The different components of a tangible fixed asset are recorded separately when their estimated duration of use, and therefore their depreciation durations, are significantly different.

10.3 - DEPRECIATION

10.3.1 - Basis for depreciation

Bearing in mind their specific nature, most of Vilmorin & Cie's industrial assets are intended to be used until the end of their life span, and as a general rule, it is not envisaged that they should be sold, which justifies the fact that there is no residual value for these fixed assets.

10.3.2 - Depreciation method

Tangible fixed assets are depreciated using the straight-line method in the income statement over the estimated duration of use for each component.

10.3.3 - Duration of depreciation

Depreciation is calculated according to the estimated durations of use for the following assets, reviewed every year:

- Land: not depreciated.
- Landscaping: 10 to 20 years.
- Constructions: 10 to 40 years⁽¹⁾.

(1) 10 to 20 years for light constructions, 20 to 40 years for more robust constructions.

FINANCIAL INFORMATION

6.1. CONSOLIDATED FINANCIAL STATEMENTS

- Specialized complex installations: 5 to 10 years.
- Machines, industrial equipment: 3 to 10 years.
- Office equipment: 3 to 10 years.
- Other tangible fixed assets: 3 to 10 years.

10.3.4 - Presentation in the income statement

Amortization, depreciation and impairment are recorded in the income statement in accordance with the purpose of the fixed asset (cost of sales, commercial expenses, research costs, overheads and administrative costs, etc.).

10.4 - IMPAIRMENT TESTS

As part of the Cash Generating Units (CGU), tangible fixed assets are liable to be tested for impairment as soon as any indication of impairment has been identified.

A CGU is the smallest identifiable group of assets that generates cash entries clearly independent of cash entries generated by other assets or groups of assets.

This test is implemented at Vilmorin & Cie, and is carried out in accordance with the rule explained in Note 1 paragraph 11 hereafter.

10.5 - REASSESSMENT

During the transition period to IFRS standards, Vilmorin & Cie decided to apply the fair value principle as the presumed cost to certain specific assets. The fixed assets to which this procedure was applied are generally land and factory buildings valued historically without representing economic reality.

The assessments adopted are the result of independent expert assessors.

11 - IMPAIRMENT OF INTANGIBLE AND TANGIBLE FIXED ASSETS

The book values of Vilmorin & Cie's intangible and tangible assets are examined at the close of each fiscal year in order to assess whether there is any indication that an asset has lost value. If there are any such indications, the recoverable amount of the asset is assessed using the method described hereafter.

For goodwill, intangible fixed assets with an undefined useful life, or intangible fixed assets which are not yet ready to be put into service, the recoverable amount is assessed at least once per year.

Impairment is recorded if the book value of an asset or its Cash Generating Unit is higher than its recoverable amount. Impairments are recorded in the income statement.

Impairment recorded for a Cash Generating Unit is first of all recorded as a reduction in the book value of all the goodwill allocated to the Cash Generating Unit (or group of units), and then to a reduction in the book value of the other assets of the unit (or group of units) in proportion to the book value of each asset in the unit (or group of units).

11.1 - CALCULATION OF THE RECOVERABLE AMOUNT

The recoverable amount of intangible and tangible fixed assets is the highest amount between their fair value less selling costs and their going concern value. In order to assess the going concern value, estimated future cash flows are adjusted to a pre-tax rate that reflects the market's current appreciation of the time value of money and specific asset risks. For an asset which does not generate independent cash entries, the recoverable amount is determined by the Cash Generating Unit to which the asset belongs.

11.2 - WRITE-BACK OF IMPAIRMENTS

Impairments recorded as goodwill cannot be written back. Impairments recorded for another asset are written back if there has been a change in the estimates used to determine the recoverable amount. The book value of an asset which has been increased because of the write-back of impairment cannot be greater than the book value that would have been determined, net of amortizations, if no impairment had been recorded.

12 - LEASES (IFRS 16)

Vilmorin & Cie determines whether a contract is a lease contract or whether it contains a lease contract.

Leases are recognized in the Financial progress report in which the group records a lease asset in "Right-of-use leased assets", and a lease liability in "Lease obligations" on the date of the beginning of the lease.

The "Right-of-use leased assets" asset is initially assessed at its cost, which includes the amount of the initial lease obligation, the initial direct costs, and the obligation to renovate the asset if the lease so stipulates. It is then depreciated on a straight-line basis up until the reasonably certain end of lease date, and where necessary adjusted for any impairment.

The lease obligation is initially assessed at the discounted values of the rent due and as yet unpaid at the date of the beginning of the lease. The discount rate used corresponds to the implicit interest rate in the lease, and if this is not easy to determine, at the incremental borrowing rate.

The reasonably certain duration of leases is determined by the local teams, taking each contract in turn, and is reviewed for each fiscal period. Lease duration corresponds to its non-terminable period, plus any periods covered by lease renewal options which are reasonably certain to be respected, and periods covered by termination options that the lessee is reasonably certain not to apply.

There are specific discount rates for each country, determined by the risk in the country, the credit risk of the lessee entity, and financial conditions outside the group.

In the income statement, the right-of-use amortization charge is recorded in "Other operating income and charges", and the interest charges in "Other financial income and charges."

The fiscal impact of this treatment results in the recording of deferred taxes depending on the fiscal legislation of the countries where the leases are recorded.

Rents from leases corresponding to assets of low unit value, short duration or involving variable rents are recorded directly in operating charges.

On the balance sheet, the group distinctly presents non-current right-of-use assets. Current and non-current lease obligations are presented on a distinct line and are not included in the group's net financial indebtedness.

13 - INVENTORIES AND PRODUCTION IN PROGRESS

Inventories and production in progress are evaluated at their lowest cost and their net realizable value.

Costs are generally calculated according to the method of weighted average cost; they include an appropriate proportion of indirect production overheads based on the normal production capacity, but exclude financial charges and any costs of a drop in activity.

The net realizable value is the estimated selling price in the normal course of business less the estimated costs necessary to achieve the sale.

Where relevant, impairment is recorded, and is generally intended to cover the following risks:

- realizable value lower than market price,
- adjustment according to sales perspectives,
- poor product quality (mainly poor germination and problems of sanitary quality).

In this respect, the line "Cost of goods sold" in the income statement includes the notion of a cost of obsolescence comprising the net change in inventory impairment plus the cost of products destroyed during the fiscal year.

14 - TRADE RECEIVABLES

Receivables are valued at their transaction price at their initial evaluation, and then at their amortized cost after any later evaluations. In accordance with IFRS 9, the Group applies the expected loss model, which requires the recording of expected losses at the time of recognition of the receivable and changes in these losses at each balance sheet date to reflect the change in credit risk since initial recognition. In the income statement, impairment losses are included in "Marketing and sales costs".

The group has defined and applies an individual impairment test for all receivables of a significant amount, as well as for those for which the company knows that there is an indicator of a potential default.

Where there is no objective evidence of impairment on an individual basis, the receivable is included in a group of similar receivables with respect to credit risk in order to perform a collective impairment test and to investigate whether there are collective indicators of loss. For example, more than three months of late payment, a significant reduction in the activity of a large group, which we know from experience will lead to failures among its subcontractors.

Non-interest-bearing medium- and long-term receivables are discounted as described in Note 1 paragraph 21.1.3.

15 - TREASURY SHARES

Treasury shares are recorded at their cost of acquisition less equity. Income from the sale of these shares is recorded directly as equity, and does not contribute to the profit for the fiscal year.

16 - EMPLOYEE BENEFITS (REVISED IAS 19)

In accordance with the laws and practices of each country in which it operates, Vilmorin & Cie participates in various pension, early retirement and post-employment benefit schemes.

16.1 - POST-EMPLOYMENT BENEFIT SCHEMES

Two types of post-employment benefit schemes are distinguished:

16.1.1 - Defined contribution plans

A defined contribution plan is a scheme involving benefits paid out after termination of the work contract, for which an entity pays defined contributions to a distinct entity and has no legal or implicit obligation to pay any further contributions if the fund does not have sufficient assets to pay benefits to the beneficiaries for current or previous fiscal years.

For basic plans and other plans with defined contributions, the contributions payable are recorded as charges for the fiscal year in which they are due, and no provision is made, since Vilmorin & Cie is only committed within the limit of the contributions paid.

These plans are applied in most of the countries where Vilmorin & Cie is present (Europe, North and Central America, Asia).

16.1.2 - Defined benefit plans

A defined benefit plan is any scheme other than a defined contribution plan. These plans are characterized by an obligation of the employer towards his employees. If they are not entirely funded in advance, they must be recorded as provisions.

This type of plan is either funded:

- directly by the group, which records provisions for the charges on an actuarial basis. These defined benefit plans mainly comprise lump sums paid at retirement (principally France) or,
- through a pension fund that the group pays into in accordance with the rules and regulations in force (North America, United Kingdom, etc.). For these plans, the provision reflects the balance between the amount currently due and the value of the assets, assessed at fair value.

For these plans, Vilmorin & Cie records provisions that are determined as follows:

- Commitments are assessed using the method known as “projected credit units” which stipulates that each period of service generates a unit of benefit entitlement. Each of these units is assessed separately to obtain the final amount due, as updated following the publication of the IFRIC Agenda Decision on the allocation of benefits.
- Calculations involve hypotheses for mortality, staff turnover and projections on future salaries. An adjustment rate linked to the average duration of this commitment is applied. These assessments are carried out for all the plans by independent actuaries.
- The actuarial gains and losses resulting from changes in assumptions or experience adjustments (difference between the projected figure and the actual figure) on the commitments or the financial assets of the plan are entirely recorded as other items in the comprehensive income for the fiscal year when they are generated, along with the corresponding fiscal impact. They cannot be reclassified in the income statement in subsequent fiscal years.
- The costs of services rendered, past services, and fund administration costs for the period are all recorded as operating charges for the fiscal year.
- Liquidations and/or reductions of defined benefit plans are also recorded as operating charges for the fiscal year.
- Net interests on liabilities (or net assets), valued at the adjustment rate, are recorded as other income and financial charges.

16.2 - OTHER LONG-TERM SUBSEQUENT BENEFITS

Provisions are made for certain other long-term benefits which are determined using an actuarial calculation that is comparable to that used for defined contribution schemes.

For Vilmorin & Cie these benefits mainly correspond to bonuses that accompany “work medals” for long service, and concern almost exclusively French companies. The costs of services rendered are recorded as operating charges and the financial interests as other income and financial charges.

17 - PROVISIONS (IAS 37)

17.1 - GENERAL PRINCIPLE

The standard IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” defines the rules applicable to provisions.

It is mandatory to record a provision in cases where:

- it is intended to meet a current, legal or implicit obligation,
- this obligation exists at the date of the close of the fiscal year,
- it is probable or certain that settlement will lead to an outflow of resources to a third party,
- a reliable evaluation of the provision can be made.

These provisions are estimated taking into account the most probable hypotheses at the closing date of the accounts.

17.2 - APPLICATION TO VILMORIN & CIE

Within the normal conditions of its business Vilmorin & Cie is subject to various risks (commercial litigation, reorganization, fiscal litigation, social litigation, etc.). It applies the following rules:

17.2.1 - Provisions for reorganization

Provisions for the cost of reorganization programs are made in full during the fiscal year in which an irreversible obligation for Vilmorin & Cie arises with regard to third parties. This obligation is the result of a decision taken by the invested management authority and materialized before the end of the closing date by informing the third parties concerned, or their representatives.

The amount of the provision mainly includes the following costs:

- severance pay,
- notice not worked,
- training of employees laid off,
- other costs linked to the closing of sites.

Disposal of fixed assets, impairment of inventories and other assets that are the direct result of reorganization measures are also recorded in the reorganization costs, but are not part of the amount of the provision recorded in liabilities and are recognized in accordance with the principles applicable to these assets.

17.2.2 - Provisions for litigations

Litigations (commercial, fiscal, intellectual property, etc.) are assessed individually and/or on the basis of a statistical estimate of the litigations observed for similar cases in the field of activity, bearing in mind what is known at the end of the fiscal year.

17.2.3 - Presentation in the financial statements

Except in particular justified cases, provisions are presented in the balance sheet in the current liabilities.

18 - GOVERNMENT GRANTS (IAS 20)

In compliance with the standard IAS 20, Vilmorin & Cie records government grants in the balance sheet on the line “Deferred income” and includes them in the income for the useful life of the assets for which they were received.

Government grants received for fixed assets that cannot be depreciated (land) are directly recorded in income for the fiscal year, when they cannot be linked to a fixed asset that is depreciated. If they can be linked to a depreciated fixed asset, they are depreciated at the same rhythm as this asset.

19 - DEFERRED TAXES (IAS 12)

In compliance with the standard IAS 12, deferred taxes are calculated for all temporal differences between the tax base and the book value of the assets and liabilities. The main items taken into account for this purpose concern:

- consolidation restatement showing a divergence between book value and tax base (special tax exemption, lease agreements, margins on inventory, income from sales of intra-group fixed assets, retirement benefits, etc.),
- recognized evaluation differences in the case of business combinations to the extent they concern clearly identified and controlled assets, and/or liabilities assumed,
- the differences between the book value and the tax base for certain assets based on favorable fiscal systems such as the provisions for mergers in France.

Assets and liabilities of deferred taxes are assessed at the tax rate expected for the period during which the asset is recovered and the liability is settled, using the tax rates that have been enacted at the balance sheet date.

The balance sheet approach to the variable carry forward method is applied and the effects of taxable rate modifications are recorded in the income for the fiscal year during which the change in rate is fixed, as long as these tax rate modifications have no effect on the deferred taxes that had been recorded directly in equity.

Deferred tax assets are recorded in the balance sheet to the extent that it is probable that they can be recovered in later years. Assessment of the capacity of Vilmorin & Cie to recover these assets in particular depends on the following criteria:

- future forecasts of fiscal results,
- the share of exceptional charges must not be renewed in the future and included in past losses.

In compliance with the standard IAS 12, deferred tax assets and liabilities are not readjusted. Depending on the case, they are presented in the balance sheet as non-current assets or liabilities.

20 - ACCOUNTS PAYABLE

Debts that concern the normal operating cycle are recorded on the line “Accounts payable” at their fair value fixed at the initial assessment, and then adjusted for the cost of amortization for subsequent evaluations.

In the event of deferred payments of more than one year that do not bear interest, the discounting rules are applied in accordance with the principles set out in Note 1 paragraph 21.1.3.

21 - FINANCIAL INSTRUMENTS (IAS 32 AND IFRS 9)

A financial instrument is a contract that gives rise to a financial asset for one party and a financial liability or equity instrument for the other party.

Financial instruments comprise:

- Financial assets which include other non-current assets, trade receivables, loans, securities portfolio, other current assets, cash management assets and cash and cash equivalents.
- Financial liabilities which include equity instruments, short- and long-term financial debts, bank overdrafts, supplier payables and other current and non-current liabilities.
- Derivative instruments.

21.1 - RECORDING OF FINANCIAL ASSETS

21.1.1 - Classification and measurement

For classification and the measurement method of financial assets, the standard stipulates that two criteria should be used:

- The group's business model to manage financial assets. Vilmorin & Cie applies two of the three business models provided for by IFRS 9, which are:
 - either to collect the contractual cash flows until maturity: “Held To Collect” (HTC),
 - or to collect the contractual cash flows and sell the asset: “Held To Collect and Sell” (HTCS).
- The characteristics of the financial asset based on whether or not there are contractual terms that result in cash flows solely related to principal repayments and interest payments (“SPPI” test: Solely Payment of Principal and Interests).

Depending on these two criteria, a financial instrument is classified as having been measured:

- at amortized cost,
 - at fair value through "Other comprehensive income",
 - at fair value through profit and loss,
- on initial recognition.

Financial assets are not subsequently reclassified unless there is a change in business model.

The initial measurement of financial assets includes transaction costs directly related to their acquisition.

Financial instruments	Subsequent measurement
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses as defined in Note 1 paragraph 14. Profits, exchange losses and impairments are recognized in profit or loss. Gains and losses resulting from derecognition are recognized in profit or loss.
Financial assets at fair value through profit and loss	These assets are subsequently measured at fair value through profit or loss. Net profits and losses, including interest or dividends received, are recognized in profit or loss.
Debt instruments at fair value through "Other comprehensive income"	These assets are subsequently measured at fair value under "Other comprehensive income". Interest income, foreign exchange gains and losses, and impairment losses are recorded in the profit or loss. Other net gains and losses are recorded in "Other comprehensive income". Upon derecognition, cumulative gains and losses in "Other comprehensive income" are reclassified to profit or loss.
Equity instruments at fair value through "Other comprehensive income"	These assets are subsequently measured at fair value through "Other comprehensive income". Dividends are recorded as income in profit or loss, unless the dividend clearly represents the recovery of part of the cost of the investment. Upon derecognition, other gains and losses are recorded in "Other comprehensive income" and are never recyclable in profit or loss. The group has opted for this classification according to the methods described in Note 1 paragraph 21.1.

21.1.2 - Derecognition of a financial asset

The total or partial disposal of a financial asset is carried out in accordance with the successive application of the following three criteria:

- the expiry of contractual rights to the cash flows of the instrument or transfer of rights to receive the same flows to a third party,
- the transfer of substantially all the risks and benefits of the instrument, for example in the context of the disposal of trade receivables,
- the transfer of control of this instrument.

21.1.3 - Unconsolidated equity securities and other non-current financial assets

Unconsolidated investments are recorded:

- either at fair value through profit or loss,
- or, for equity instruments within the meaning of IAS 32 not held for trading, at fair value through "Other comprehensive income", at the Group's irrevocable option, on initial recognition.

The choice is made each time lots of shares are purchased.

Unconsolidated shares acquired before 30 June 2018 have been classified at fair value through "Other comprehensive income".

For listed securities, fair value corresponds to the market price in an active market.

For unlisted securities, fair value is determined using the future cash flow valuation technique, taking into account the business developed and the outlook.

Variations in fair value are recorded directly in equity, and cannot be recycled in profit or loss.

Loans are recorded at amortized cost. In accordance with IFRS 9, the Group applies the expected loss model, which requires the recognition of expected losses at the time the loan is recognized and changes in these losses at each balance sheet date to reflect the change in credit risk since initial recognition.

In cases where loans, advance payments or other mid- or long-term receivables do not receive interest, or if the interest rate is lower than market rates, the assets are adjusted in accordance with the real interest rate.

21.2 - RECORDING FINANCIAL LIABILITIES AND DERIVATIVE INSTRUMENTS

21.2.1 - Initial and subsequent measurement

Financial liabilities are classified as measured at amortized cost or fair value through profit or loss.

A liability is measured at fair value through profit or loss when it is classified as held for trading, whether it is a derivative or designated as such on initial recognition.

Issue costs are recognized in accordance with the method described in Note 1 paragraph 21.2.5.

Financial instruments	Subsequent measurement
Financial liability at amortized cost	These are subsequently measured at amortized cost. Interest charges and foreign exchange gains or losses are recorded in profit or loss.
Financial liabilities at fair value through profit or loss	These liabilities are subsequently measured at fair value. Net gains and losses, including interest charges, are recorded as profit or loss.

21.2.2 - Derecognition of a financial liability

The group derecognizes a financial liability:

- when its contractual obligations are discharged, cancelled or expire or,
- when its terms are amended and the flows of the amended liability are substantially different, in which case a new financial liability is recorded at fair value under the new terms, the costs of the amendments being amortized over the term of the new financial liability.

When a financial liability is derecognized, the difference between the book value allocated to the derecognized portion and the consideration paid is recorded in profit or loss.

21.2.3 - Derivative instruments

Vilmorin & Cie uses derivatives to cover its exposure to risks in the variation of interest rates, currency exchange rates and in the prices of commodities, resulting from its current activity and its funding. Derivatives are initially assessed at their fair value.

For a derivative to be eligible for hedge accounting (future cash flow or fair value), the hedging relationship must be formally designated and documented, and its life-long effectiveness must be demonstrated. A fair value hedge is a hedge of the exposure to changes in fair value of assets, liabilities or firm commitments. A cash flow hedge is a hedge of the exposure to variability in future cash flows (sales generated by the company's assets, for example).

In compliance with the provisions of the standard IFRS 9, variations in the fair value of these instruments are recorded as follows:

- Variations in the fair value of instruments eligible for cash flow hedging are recognized directly in equity for their effective part of the cover and transferred to the income statement when the hedged future flows affect the latter, the ineffective portion being recorded in financial profit or loss.
- Variations in the fair value of instruments eligible for fair value hedging are recorded in profit and loss where they compensate for the variations in fair value of the assets, liabilities or firm commitments covered.

The commodity hedges used by Vilmorin & Cie mainly consist of purchases of options traded on an organized market. Vilmorin & Cie also implements strategies that combine purchases of options with futures contracts, also traded on an organized market.

Vilmorin & Cie applies the hedge accounting of IFRS 9 "Financial Instruments" in its subsidiaries AgReliant LLC and Limagrain Brasil, based respectively in North America and South America.

21.2.4 - Conditional advance payments

Conditional advance payments appear in accordance with IFRS principles on the line "Deferred income." They are included in the income if the funded programs concerned fail.

21.2.5 - Loan issue costs

Costs incurred by the issue of loans are recorded at the book value of the loans concerned since they are recorded at amortized cost.

These costs are recorded as charges for the full duration of the loan using the effective interest rate method.

21.3 - MEASUREMENT OF FAIR VALUES

Financial instruments at fair value are classified according to the following hierarchy level:

- level 1 (listed prices): financial instruments that are listed on the active market,
- level 2 (observable data): financial instruments whose measurement uses valuation techniques based on observable parameters,

- level 3 (internal model): financial instruments whose measurement uses valuation techniques based in whole, or in part, on unobservable parameters.

21.4 - FINANCIAL LIABILITIES – COMPOUND INSTRUMENTS

Certain financial instruments include both a financial liability component and an equity component.

In compliance with the standard IAS 32, the different components of these instruments are recorded in equity and in financial liabilities in respective proportions.

The component classified as financial liabilities is measured at the date of issue. It corresponds to the value of the future contractual cash flows from which the entity cannot withdraw, discounted at the market rate of a similar instrument with the same conditions but without the option of conversion or redemption in shares.

22 - CASH AND CASH EQUIVALENTS

In accordance with the standard IAS 7 "Cash flow statement," the line "Cash and cash equivalents" appearing in the balance sheet includes:

- cash and bank in hand,
- short-term, liquid investments that are easily convertible to a fixed amount of cash and have a negligible risk of variations in value, held to meet short-term cash requirements,
- current accounts recoverable at short notice.

Investments with a term of more than three months without the possibility of early withdrawal, or with the possibility of early withdrawal with a dissuasive penalty, as well as bank accounts subject to restrictions (blocked accounts) are excluded from cash. Bank overdrafts are also excluded from cash.

23 - BREAKDOWN OF ASSETS AND LIABILITIES INTO CURRENT/NON-CURRENT

23.1 - GENERAL PRINCIPLE

The standard IAS 1 states that assets and liabilities must be classified as either "current" or "non-current".

23.2 - APPLICATION TO VILMORIN & CIE

Vilmorin & Cie has adopted the following rules to classify the main aggregate amounts of the balance sheet:

- Assets and liabilities that form part of the working capital needs of a normal business operating cycle are classified:
 - as "current" if the realization of the assets or the liquidation of the liabilities is expected to occur within one year following the closing date or if they are held for the purposes of trading,
 - as "non-current" in all other cases.
- Fixed assets are classified as "non-current."

- Provisions that are part of the normal operating cycle are classified as “current.”
- Provisions for employee benefits are classified as “non-current” bearing in mind the long-term horizon of such commitments.
- Financial liabilities are classified as “current” or “non-current” depending on whether their due dates fall in less than one year or more than one year after the closing date.
- Deferred taxes are all presented as “non-current” assets or liabilities.

24 - REVENUE FROM ORDINARY ACTIVITIES RESULTING FROM CUSTOMER CONTRACTS (IFRS 15)

24.1 - GENERAL PRINCIPLE

Revenue from ordinary activities comprises the sale of products, goods and services produced as part of Vilmorin & Cie’s main business activities, and also income from royalties and operating licenses.

24.2 - APPLICATION TO VILMORIN & CIE

Income is recorded as sales when the commitments (or performance obligations) arising from contracts with customers have been fulfilled, i.e. when customers have obtained control of the asset(s) sold.

Control is defined as the current ability to decide on the use of the asset and to obtain substantially all of the potential cash flows resulting from the use, consumption, resale, exchange or pledging of the asset. It also includes the ability to prohibit others from directing the use of the asset and to access substantially all the benefits of the asset.

Performance obligations can be met either:

- on an ongoing basis; the income is then recognized on a percentage-of-completion basis,
- on a given date; the income is then recognized on that date.

The transfer of control generally corresponds:

- for sold goods and products to the date they are made available to the customers,
- for services: sales revenue is taken into account according to the stage of completion of the transaction at the closing date, on a *pro rata temporis* basis,
- for royalties:
 - either on a given date for royalties on so-called “static” licenses (licenses that confer a right to use intellectual property as it exists on the date of signature of the contract),
 - or on an ongoing basis for royalties whose calculation is based on sales made or quantities sold by the licensor or for so-called “dynamic” licenses (licenses granting a right of access to intellectual property which will evolve over the duration of the license). Royalties based on sales made usually correspond to the remuneration of plant variety concessions or parental lines.

Income from ordinary operations includes:

- sales of products,
- sales of services,
- royalties received from commercial activities, which are taken into account for the net amount of variable considerations (discounts, rebates, return rights, performance bonuses, etc.). Variable return considerations are taken into account to the extent that it is highly probable that their subsequent settlement will not result in a significant downward adjustment to the cumulative income recognized.

The payment terms applied are those in force in each country and are in most cases less than 12 months. Customer contracts do not include sales with a significant financing component.

The guarantees granted in the contracts provide the customer with assurance that the product complies with the contractual specifications: they are therefore “insurance” type guarantees that fall under IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. Estimated costs are recognized in provisions when the company recognizes the revenue.

Simplification measures applied

Vilmorin & Cie applies the simplification measure of paragraph 121 of IFRS 15 on the disclosure of unfulfilled performance obligations because the initial term of contracts with customers does not exceed one year.

In terms of significant procurement or execution costs, as Vilmorin & Cie has contracts with a duration of less than one year, it applies the simplification measure of recognizing these costs as expenses.

25 - EARNINGS PER SHARE

Basic and diluted earnings per share are calculated on the basis of the weighted average number of shares in circulation over the fiscal year, taking into account dilutive instruments.

The average number of shares in circulation is calculated on the basis of the different valuations of the share capital, corrected, where appropriate, for Vilmorin & Cie’s treasury shares.

NOTE 2: EVENTS OCCURRING DURING THE FISCAL YEAR

1 - MAIN OPERATIONS OCCURRING DURING THE FISCAL YEAR

No significant operation occurred during the fiscal year.

2 - IMPACTS OF THE SITUATION IN UKRAINE-RUSSIA

The Russia-Ukraine crisis that began in February 2022 had a moderate impact on the group’s financial statements closing on June 30, 2022, despite the strategic importance of this region in the Company’s commercial organization.

Overall, sales in the Ukraine-Russia zone were down by approximately 4% with current data and 7% on a like-for-like basis compared to fiscal year 2020-2021. They amounted to 134 million euros, including 123 million euros for Field Seeds and 11 million euros for Vegetable Seeds.

In Ukraine, thanks to the remarkable commitment of its employees, the continuity of Vilmorin & Cie's activities remained secure, even though commercial activity was down.

In Russia, Vilmorin & Cie maintained its activities, considering that it was its responsibility, as a leading seed company, not to penalize world agricultural production, while at the same time taking the decision to suspend a project to build a seed factory in the country.

The group did not identify any significant risk related to the Russia-Ukraine conflict on its assets, as the value of the fixed assets in Ukraine-Russia represents less than 1% of the net value of all the group's fixed assets.

NOTE 3: CONSOLIDATION SCOPE

1 - EVOLUTION OF THE CONSOLIDATION SCOPE

1.1 - ON JUNE 30, 2022, VILMORIN & CIE CONSOLIDATED 109 COMPANIES IN ACCORDANCE WITH THE RULES SET OUT IN NOTE 1 PARAGRAPH 5 OF THE "ACCOUNTING METHODS AND PRINCIPLES IN IFRS STANDARDS"

	21-22	20-21
By global integration	91	90
By the equity method	18	18
Total	109	108

1.2 - VARIATIONS IN SCOPE OCCURRING DURING THE COURSE OF 2021-2022 WERE AS FOLLOWS:

1.2.1 - Entries to the consolidation scope

No acquisition was made during the fiscal year.

1.2.2 - Exits from the consolidation scope

- By deconsolidation
 - Hazera Ethiopia
 - Vilmorin 2014 Holdings

1.2.3 - Reorganizations of the consolidation scope

- Following reorganizations, the following companies were created:
 - Limagrains Bulgaria
 - Limagrains Hungaria
 - Limagrains Polska
 - Limagrains Romania
 - Limagrains Slovakia

- and the following mergers occurred:

Absorbing companies	Absorbing companies
Limagrains Europe SAS	Biogemma SAS
Limagrains Europe SAS	Limagrains Central Europe SE

1.2.4 - Changes in name

The following changes in name occurred during the fiscal year:

Former names	New names
Anadolu Tohum Uretim Ve Pazarlama Anonim Sirketi	Vilmorin Mikado Tohumculuk Anonim Sirketi
Korea Mikado Kyowa Seed Co Ltd	Vilmorin-Mikado Korea Co. Ltd
Mikado Kyowa K.K.	Vilmorin-Mikado Co. Ltd
Semillas Shamrock Internacional	Vilmorin-Mikado Mexico
Shamrock Seed Company	Vilmorin-Mikado USA, Inc
Vilmorin Atlas SARL	Vilmorin-Mikado Atlas
Vilmorin do Brasil Comercio de Sementes Ltda	Vilmorin-Mikado Brasil Ltda
Vilmorin Iberica SA	Vilmorin-Mikado Iberica
Vilmorin Italia SRL	Vilmorin-Mikado Italia
Limagrains Central Europe Cereals Sro	Limagrains Ceska Republika

1.2.5 - Changes in consolidation method

No change in consolidation method was made over the fiscal year.

2 - INFORMATION CONCERNING VARIATIONS IN CONSOLIDATION SCOPE

In millions of euros	Note	Hazera Ethiopia	Vilmorin 2014 Holdings	Total
Goodwill	14			
Other intangible fixed assets	15			
Tangible fixed assets	16	-		-
Right-of-use leased assets	17			
Non-current financial assets	18	-	-	-
Equity shares	19			
Deferred income taxes	26			
Total non-current assets		-	-	-
Inventories	20			
Receivables	21		-	-
Cash and cash equivalents	22		-0.1	-0.1
Total current assets		-	-0.1	-0.1
Total assets		-	-0.1	-0.1
Equity				
Provisions for employee benefits	25			
Non-current financial liabilities	28			
Non-current lease obligations	29			
Deferred income taxes	26			
Total non-current liabilities				
Other provisions	27		-	-
Accounts payable	30	-	-	-
Deferred income	31			
Current financial liabilities	28			
Current lease obligations	29			
Total current liabilities		-	-	-
Total liabilities		-	-	-

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6.1. CONSOLIDATED FINANCIAL STATEMENTS

3 - TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In accordance with amended standard IFRS 10, the restatement of “transactions with non-controlling interests” presented in the cash flow statement includes the following acquisitions and disposals of securities:

In millions of euros	06.30.22	06.30.21
Agrisynergy	-	1.9
Groupe Limagrain Holding	-	-151.8
Limagrain Europe	-	21.5
Seed Co International	-	-0.9
Vilmorin & Cie	-	57.5
Transactions with non-controlling interests	-	-71.8

NOTE 4: OPERATING SEGMENTS

1 - GENERAL PRINCIPLES

The rules applicable to the presentation of operating segments are defined in Note 1 paragraph 7 of the “Accounting methods and principles in IFRS standards.”

2 - INFORMATION ACCORDING TO BUSINESS SEGMENT

The internal information made available to Vilmorin & Cie’s Executive Committee, the “Chief Operating Decision-Maker”, corresponds to the managerial organization of the company which is based on segmentation according to activity. Consequently, the operating segments, as defined by standard IFRS 8, are the business segments on which Vilmorin & Cie operates.

Existing operating segments on June 30, 2022 were as follows:

- Vegetable Seeds
- Field Seeds

The Vegetable Seeds segment involves a group of several Cash Generating Units (CGUs).

Each of the columns in the tables presented below contains the figures for each segment. The figures shown represent the contributions with regard to Vilmorin & Cie which implicitly ignore inter-segment operations since they are not considered to be very significant.

2.1 - INFORMATION CONCERNING FISCAL YEAR 2021-2022

In millions of euros	Vegetable Seeds	Field Seeds	Garden Products and Holdings	Unallocated	Total
Revenue from ordinary activities	718.6	816.4	52.2	-	1,587.2
Operating income	107.2	42.8	-13.7	-	136.3
Income from continuing operations	69.4	47.4	-21.4	-	95.4
Income from discontinued operations	-	-	-	-	-
Total consolidated net income	69.4	47.4	-21.4	-	95.4
Non-current assets	710.4	1,199.1	190.0	-	2,099.5
> including investments for the period	135.5	144.1	15.6	-	295.2
Current assets	647.3	604.0	211.5	-	1,462.8
Total assets	1,357.7	1,803.1	401.5	-	3,562.3
Equity ⁽¹⁾	-	-	-	1,483.4	1,483.4
Non-current liabilities	104.2	128.6	1 055.9	-	1,288.7
Current liabilities	257.2	401.0	132.0	-	790.2
Total liabilities	361.4	529.6	1,187.9	1,483.4	3,562.3

(1) The line “Equity” for all Vilmorin & Cie’s companies is not broken down per business segment.

2.2 - INFORMATION CONCERNING FISCAL YEAR 2020-2021

In millions of euros	Vegetable Seeds	Field Seeds	Garden Products and Holdings	Unallocated	Total
Revenue from ordinary activities	700.6	716.0	60.0	-	1,476.6
Operating income	109.1	29.6	-11.3	-	127.4
Income from continuing operations	76.0	38.7	-21.3	-	93.4
Income from discontinued operations	-	-	-	-	-
Total consolidated net income	76.0	38.7	-21.3	-	93.4
Non-current assets	663.6	1,124.8	179.7	-	1,968.1
> including investments for the period	124.3	165.0	-18.7	-	270.6
Current assets	612.0	507.3	171.5	-	1,290.8
Total assets	1,275.6	1,632.1	351.2	-	3,258.9
Equity ⁽¹⁾	-	-	-	1,329.0	1,329.0
Non-current liabilities	107.7	114.6	956.9	-	1,179.2
Current liabilities	221.6	324.4	204.7	-	750.7
Total liabilities	329.3	439.0	1,161.6	1,329.0	3,258.9

(1) The line "Equity" for all Vilmorin & Cie's companies is not broken down per business segment.

NOTE 5: REVENUE FROM ORDINARY ACTIVITIES

1 - ANALYSIS BY NATURE

In millions of euros	Variation %	21-22	20-21
Sales of goods	+7.2%	1,509.4	1,407.8
Sales of services	+43.5%	13.2	9.2
Royalties received	+8.4%	64.6	59.6
Total	+7.5%	1,587.2	1,476.6

The rules applied for the recording and measurement of revenue from ordinary activities appear in Note 1 paragraph 24 of the "Accounting methods and principles in IFRS standards."

On June 30, 2022, the group did not have any long-term contracts. Sales made in fiscal year 2021-2022 with the group's top ten customers represent 11.7% of its total sales.

2 - ANALYSIS OF PRODUCT SALES

2.1 - BY CROP FAMILY

In millions of euros	Variation %	21-22	20-21
Vegetable and flower seeds	+3.5%	704.1	680.4
Field Seeds	+13.3%	743.6	656.6
Garden Products	-17.2%	52.9	63.9
Other products	+27.5%	8.8	6.9
Total	+7.2%	1,509.4	1,407.8

2.2 - BY GEOGRAPHICAL AREA

In millions of euros	Variation %	21-22	20-21
Europe	+3.9%	868.2	835.8
> incl. France	+3.3%	215.8	208.9
Americas	+20.4%	375.4	311.8
Asia/Oceania	+1.1%	121.4	120.1
Africa/Middle East	+3.1%	144.4	140.1
Total	+7.2%	1,509.4	1,407.8

2.3 - BY GEOGRAPHICAL AREA AND ACTIVITY

As a %	Total	Vegetable Seeds	Field Seeds	Garden Products and Holdings
Europe	58%	37%	75%	99%
> incl. France	14%	8%	15%	81%
Americas	25%	34%	18%	1%
Asia/Oceania	8%	14%	2%	0%
Africa/Middle East	9%	15%	5%	0%
Total	100%	100%	100%	100%

3 - FOCUS ON FIELD SEEDS

3.1 - REVENUE FROM ORDINARY ACTIVITIES BY GEOGRAPHICAL AREA

In millions of euros	21-22	20-21
Europe	642.4	587.7
Other areas (Asia, Africa, South America, North America)	174.0	128.4
Total	816.4	716.1

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6.1. CONSOLIDATED FINANCIAL STATEMENTS

3.2 - ANALYSIS OF PRODUCT SALES – EUROPE – BY AREA

As a %	21-22	20-21
France	21%	20%
Northern Europe	34%	34%
Eastern Europe	37%	39%
Southern Europe	6%	6%
Others	2%	1%

3.3 - BREAKDOWN OF SALES MADE IN OTHER AREAS– OUTSIDE EUROPE (AS A % - REVENUE FROM ORDINARY ACTIVITIES)

As a %	21-22	20-21
South America	78%	72%
North America	5%	6%
Asia/Oceania	8%	10%
Africa/Middle East	9%	12%

NOTE 6: PERSONNEL COSTS

1 - EVOLUTION OF PERSONNEL COSTS

In millions of euros	21-22	20-21
Gross compensation	337.5	326.0
Social charges	108.9	104.7
Profit-sharing schemes	13.9	13.7
Total	460.3	444.4

2 - FURTHER INFORMATION

Bearing in mind the seasonal nature of its business, Vilmorin & Cie discloses information on its permanent headcount and its average annual headcount.

2.1 - AVERAGE ANNUAL HEADCOUNT

2.1.1 - Analysis by geographical area

	21-22	20-21
France	2,621	2,546
Non-France	6,225	6,223
Total	8,846	8,769

2.1.2 - Analysis by employee status

	21-22	20-21
Management	2,819	2,723
Non-management	6,027	6,046
Total	8,846	8,769

2.2 - PERMANENT HEADCOUNT AT THE END OF THE FISCAL YEAR

2.2.1 - ANALYSIS BY GEOGRAPHICAL AREA

	06.30.22	06.30.21
France	2,254	2,166
Non-France	5,000	4,923
Total	7,254	7,089

2.2.2 - ANALYSIS BY EMPLOYEE STATUS

	06.30.22	06.30.21
Management	2,727	2,597
Non-management	4,527	4,492
Total	7,254	7,089

2.2.3 - ANALYSIS BY FUNCTION

	06.30.22	06.30.21
Research & Innovation	2,021	2,029
Production & Operations	1,956	1,893
Supports Functions & General Management	1,331	1,301
Sales & Marketing	1,946	1,866
Total	7,254	7,089

NOTE 7: PROVISIONS FOR THE DEPRECIATION, AMORTIZATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE FIXED ASSETS, AND RIGHT-OF-USE LEASED ASSETS

In millions of euros	21-22	20-21
Provisions for the amortization and impairment of intangible fixed assets		
> development programs ⁽¹⁾	-182.8	-173.6
> other intangible fixed assets	-12.3	-11.9
Sub-total	-195.1	-185.5
Provisions for the depreciation and impairment of tangible fixed assets	-33.8	-31.8
Provisions for the depreciation of right-of-use leased assets	-26.1	-22.5
Sous-total	-59.9	-54.3
Total	-255.0	-239.8

(1) The increase in provisions concerning development costs is an indication of the investment in research initiated by the group over several fiscal years.

NOTE 8: RESEARCH & DEVELOPMENT COSTS

1 - EVOLUTION OF COSTS

In millions of euros	21-22	20-21
Development programs activated during the fiscal period	196.1	181.3
Provisions for the amortization of development programs recorded as fixed assets	-182.8	-173.6
Total research & development costs	-275.1	-257.0
Tax relief for research	34.3	32.3
Net costs for the year	-227.5	-217.0

Vilmorin & Cie records the cost of its development programs in the conditions set out in Note 1 paragraph 9 of the "Accounting methods and principles in IFRS standards."

Research & development costs which fail to meet these conditions are recorded directly as charges for the fiscal year.

2 - FURTHER INFORMATION

2.1 - NET INCREASE IN ACTIVATED RESEARCH & DEVELOPMENT COSTS

In millions of euros	21-22	20-21
Costs identified and recorded as intangible fixed assets (cf. Note 15)	196.1	181.3
Provisions for amortization	-182.8	-173.6
Net increase in activated research and development costs	13.3	7.7

It is important to note that out of a total investment in research & development of 275.1 million euros, only 196.1 million euros met the criteria set out in Note 1 paragraph 9 of the "Accounting methods and principles in IFRS standards." There was an overall increase in research & development costs of 18.1 million euros.

The increase in activated costs was due to the intensification of development programs.

2.2 - EFFECT OF ACTIVATION ON THE CASH FLOW STATEMENT

In millions of euros	21-22	20-21
Effect on the income for the period	13.3	7.7
Effect on amortization and depreciation	182.8	173.6
Effect on the cash flow	196.1	181.3
Effect on the investment flows	-196.1	-181.3
Total	-	-

3 - TREATMENT OF FRENCH TAX RELIEF ON RESEARCH

Since the implementation of the French system for tax relief on research (CIR) based only on a volume percentage of eligible

research expenses made, this tax relief is assimilated to a public subsidy since it is used to fund part of the capitalized development expenses, and its accounting treatment comes within the scope of standard IAS 20.

Therefore, this tax relief should be allocated between the part concerning development costs which, in application of the standard IAS 38, have been recorded as assets, and the part concerning other expenditure, recorded in the income statement.

In terms of presentation, this tax relief on research, recorded as a subsidy and deducted from the research costs in the income statement, must be recorded as immediate income, as far as the part concerning expenses recorded in the charges is concerned; the part concerning capitalized expenses must be recorded as deferred income that is to be amortized at the same rhythm as the amortization of the related assets.

NOTE 9: OTHER OPERATING INCOME AND CHARGES

1 - EVOLUTION

In millions of euros	21-22	20-21
Litigation	-3.6	-9.4
Income from the sale of fixed assets	1.4	4.5
Income from the sale of consolidated securities ⁽¹⁾	-0.1	-
Government subsidies	1.3	0.9
Reorganization costs	-0.2	-4.1
Impairment on fixed assets	-0.1	-0.4
Other charges and income ⁽²⁾	4.8	7.6
Total	3.5	-0.9

(1) For fiscal year 2021-2022:
- deconsolidation of the Vilmorin 2014 Holdings securities

-0.1

(2) For fiscal year 2021-2022:

- repayment of insurance

1.3

For fiscal year 2020-2021:

- repayment of insurance

2.5

- net provisions

2.7

2 - FURTHER INFORMATION

2.1 - ON OPERATIONS FOR FISCAL YEAR 2021-2022

2.1.1 - Reorganization costs

These mainly concern:

In millions of euros	Amount
Hazera Ethiopia	0.1
Hazera Israël	-0.1
Limagrain Belgium	-0.1
Limagrain Brasil	0.5
Limagrain Europe	0.2
Limagrain Italia	0.2
Limagrain UK	-1.0
Total	-0.2

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6.1. CONSOLIDATED FINANCIAL STATEMENTS

2.1.2 - Impairment of fixed assets

These mainly concern:

In millions of euros	Amount
Limagrain Europe	-0.1
Total	-0.1

2.2 - ON OPERATIONS FOR FISCAL YEAR 2020-2021

2.2.1 - Reorganization costs

These mainly concern:

In millions of euros	Amount
Limagrain Belgium	-0.1
Limagrain Brasil	-0.5
Limagrain Cereal Seeds	-0.6
Limagrain Europe	-0.2
Limagrain Italia	-0.2
Sursem	-0.1
Vilmorin & Cie	-0.7
Vilmorin-Mikado Japan	-1.7
Total	-4.1

2.2.2 - Impairment of fixed assets

These mainly concern:

In millions of euros	Amount
Biogemma	-0.4
Total	-0.4

NOTE 10: NET COST OF FINANCIAL DEBTS

1 - EVOLUTION

In millions of euros	21-22	20-21
Interests on loans and bank overdrafts	-27.8	-26.2
Losses and gains of fair value on hedging instruments	-	-
Losses and gains on the disposal of hedging instruments	-	-
Cash income	3.6	2.6
Miscellaneous ⁽¹⁾	-1.2	-1.5
Total	-25.4	-25.1

(1) This line mainly concerns commission paid out on Vilmorin & Cie's syndicated credit, and also commission on financial operations.

2 - FURTHER INFORMATION

The total funding costs can be analyzed as follows:

In millions of euros	21-22	20-21
Interest charges	-29.2	-27.9
Interest income	3.8	2.8
Total	-25.4	-25.1

NOTE 11: OTHER FINANCIAL INCOME AND CHARGES

1 - EVOLUTION

In millions of euros	21-22	20-21
Gains or losses on the sales of unconsolidated securities, profits and losses from winding up business, income from consolidation exits	-0.4	-
Interest income	1.7	0.8
Interest charges	-3.6	-1.4
Interest charges on lease obligations	-2.9	-2.8
Provisions for the impairment of securities and other financial assets	0.4	-0.1
Provisions for risks and other financial charges	-	-
Gains or losses on currency translation	-2.6	-17.2
Impact of restatements for hyperinflation	0.1	-
Net charges on commitments for personnel benefits	-0.7	-1.1
Other financial gains and losses	-	-
Total	-8.0	-21.8

2 - FURTHER INFORMATION

2.1 - ON OPERATIONS FOR FISCAL YEAR 2021-2022

No particular operation occurred during fiscal year 2021-2022.

2.2 - ON OPERATIONS FOR FISCAL YEAR 2020-2021

No particular operation occurred during fiscal year 2020-2021.

NOTE 12: INCOME TAXES

1 - EVOLUTION

In millions of euros	21-22	20-21
Current taxes	-22.9	-21.5
Deferred taxes	-2.5	8.1
Total	-25.4	-13.4

The rules applied for the recording of deferred taxes are described in Note 1 paragraph 19 of the "Accounting methods and principles in IFRS standards."

Sources of deferred taxes are the result both of temporal differences between the tax base and the book value of assets and liabilities, and the recording of deferred tax assets dependent on forecasts of future tax results and on the net liabilities position.

2 - FURTHER INFORMATION

2.1 - EVOLUTION OF INCOME TAXES

The difference between the parent company's statutory tax rate and the effective tax rate on June 30, 2022 is mainly due to the combined effect of the results of the Group's entities, changes in tax rates (particularly in France) and tax savings generated by the use of tax credits and group tax systems ("fiscal integration").

2.2 - FISCAL INTEGRATION OPERATIONS

The fiscal integration scopes set up in the group (article 223 A et seq. of the French tax code) between the different French companies were as follows on June 30, 2022:

Integrating company	Member companies	Effective date
Vilmorin & Cie	HM.CLAUSE France	July 1, 2000
	Vilmorin Jardin	July 1, 2000
	Vilmorin-Mikado France	July 1, 2010
	Limagrain Europe	July 1, 2012
	Limagrain Central Europe	July 1, 2012

Fiscal integration has also been established in the United States:

Integrating company	Member companies
Vilmorin USA	HM.CLAUSE USA
	Limagrain Sunflowers
	Vilmorin-Mikado North America

2.3 - CURRENT TAXES

The charge of current taxes corresponds to the total taxes on profits owed to the tax authorities for the fiscal year in accordance with the rules and taxation rates in force in different countries.

2.4 - TAX RATE APPLICABLE

The basic rate for income (corporation) tax in France is 27.5% to which an additional contribution must be added (article 235 ter ZC of the French Tax Code).

A comparison between the recorded income tax charge and the theoretical income tax charge is as follows:

As a %	21-22	20-21
Theoretical tax rate in France	28.41	32.02
Impact of partnerships (using the equity method)	-0.68	-3.72
Differences between the tax rates applied in France and other countries	-1.62	-4.66
Permanent differences	3.43	-5.29
Impact of dividend distributions	2.56	2.72
Adjustments of taxes and taxes with no base	-20.45	-15.06
Unrecognized losses	11.17	14.96
Temporal differences	5.12	-0.41
Impact of capital gains and losses from disposals and asset value losses	0.15	2.35
Impact from the variations in deferred taxes rate	-1.62	-8.23
Impact of restatements for hyperinflation	-2.36	-
Effective tax rate	24.11	14.68

2.5 - DETAILS OF TAX RECEIVABLES AND DEBTS DUE

In millions of euros	21-22	20-21
Tax receivables due	65.5	61.4
Tax debts due	-8.8	-8.8
Net total	56.7	52.6

2.6 - INFORMATION ON TAX LOSSES

On June 30, 2022, Vilmorin & Cie held a total of 237.6 million euros of tax losses. The amount of tax losses activated on losses carried forward amounted to 124.1 million euros, representing deferred tax assets of 21.6 million euros.

2.6.1 - Hypotheses adopted

Vilmorin & Cie is required to recognize deferred tax assets on tax losses to be carried forward, taking into account their recoverability, on the basis of prospects for income.

The capacity to recover deferred tax assets resulting from tax loss carryforwards is assessed by taking into account: forecast data from the strategic plans drawn up for each of the divisions, projections of these forecast data from a tax point of view over a ten-year period, and the history of tax results for previous years.

2.6.2 - Unrecognized deferred tax assets

Tax losses for which no deferred tax has been recognized may be used up until the following dates:

In millions of euros	21-22	20-21
Limited duration	42.4	51.2
Unlimited duration	71.1	131.0
Total	113.5	182.2

NOTE 13: EARNINGS PER SHARE

- Earnings per share attributable to the controlling company are calculated on the basis of the weighted average number of Vilmorin & Cie shares in circulation during the fiscal year.

The evolution of earnings per share is as follows:

- Earnings per share:

In euros	21-22	20-21
Attributable to the controlling company in continuing operations	92,142,822	92,355,130
Attributable to the controlling company in discontinued operations	-	-
Attributable to the controlling company in the consolidated income	92,142,822	92,355,130
Number of Vilmorin & Cie shares apart from treasury shares	22,909,217	22,908,247
Earnings from continuing operations for one share	4.02	4.03
Earnings from discontinued operations for one share	-	-
Earnings per share	4.02	4.03

- Diluted earnings per share:

The earnings used for this calculation take into account savings on financial charges net of taxes which would be made by Vilmorin & Cie if ORA bonds (redeemable as shares) were converted, and the ensuing change in the number of shares.

In euros	21-22	20-21
Income attributable to the controlling company in continuing operations before conversion	92,142,822	92,355,130
Impact on the income attributable to the controlling company of the conversion of ORA bonds	-875,555	-181,253
Income attributable to the controlling company in continuing operations after conversion	91,267,267	92,173,877
Income attributable to the controlling company in discontinued operations after conversion	-	-
Income attributable to the controlling company in the consolidated income after conversion	91,267,267	92,173,877
Number of shares held by Vilmorin & Cie before conversion excluding treasury shares	22,909,217	22,908,247
Creation of new shares after conversion of ORA bonds	-	-
Number of shares held by Vilmorin & Cie after conversion of ORA bonds excluding treasury shares	22,909,217	22,908,247
Earnings from continuing operations per share	3.98	4.02
Earnings from discontinued operations per share	-	-
Diluted earnings per share	3.98	4.02

- Dividends paid out per share

	Dividends distributed in December 2021	Dividends distributed in December 2020
Amount distributed	€36,656,387.20	€22,917,292.00
Details	€1.60 x 22,910,242 shares	€1.00 x 22,917,292 shares

NOTE 14: GOODWILL

1 - PRINCIPLES OF EVALUATION AND IMPAIRMENT OF GOODWILL

1.1 - EVALUATION OF GOODWILL

In compliance with the standard IFRS 3, the assessment of the fair value of the identifiable assets and liabilities acquired as a result of business combinations can be modified for a period of twelve months following the acquisition date.

Consequently, the goodwill recognized following the acquisition of Limagrain Zaad South Africa has been adjusted as part of the acquisition price allocation mechanism.

1.2 - GOODWILL IMPAIRMENT TEST

Vilmorin & Cie carried out impairment tests on its goodwill on June 30, 2022 for all the Cash Generating Units (CGUs) to which goodwill is allocated.

As stated in Note 1 paragraph 11, these tests consist in comparing the net book value of the assets of the Cash Generating Units with their recoverable value as assessed using the method of provisional discounted cash flows (value in use).

CGUs comprise groups of legal entities forming units with centralized management. Each operating segment thus comprises one or several CGUs running their business autonomously with regard to each other.

For all the CGUs, with the exception of the Field Seeds CGU, the following hypotheses, considered to be key, have been used to calculate the discounted value of the provisional cash flow for the CGUs:

- Number of years of provisional data: 5 years.
- Growth rate: 2%, with the exception of the Garden Products CGU, for which the adopted growth rate has been scaled down to 1.1% in order to account for more moderate growth perspectives on the French market.
- Discount rate after taxes: different rates have been adopted for each CGU in accordance with market data; they vary from 5.8% to 6.4% depending on areas.

With regard to the operating segment of Field Seeds, the fact that activities are managed centrally means that they are analyzed in a single CGU which encompasses all the processes of research, production and distribution run on the different continents. The impairment test for this CGU is conducted on the basis of provisional cash flows projected over a period of 8 years instead of 5 years, in order to take account of longer economic cycles, in particular because of long-term investments such as the Syngenta license acquired in October 2015. This test projected over 8 years

was prepared by Corporate Finance, in conjunction with the Field Seeds division management, on the basis of a discount rate of 7% and a perpetual growth rate of 2%. It also takes account of the following:

- Integration of the effects of the Syngenta license into the Business Unit Limagrain South America.
- Neutralization of the research costs invoiced by the Business Unit AgReliant to the Business Unit Limagrain Europe, since the cash flows of the joint venture AgReliant are not included in the provisional cash flows of the CGU, as it is integrated using the equity method.
- For the part of the CGU that corresponds to the Field Seeds activities outside South America (Europe, North America, Asia/Oceania, Africa/Middle East), the forecast cash flows are built up on the basis of conservative assumptions for the last five years of the projection, namely:
 - increase in sales limited to +2% per year,
 - margin rate kept stable over the period,
 - increase in operating charges at +2 % per year,
 - level of investments kept stable over the period.

The conflict situation in Ukraine-Russia has led the Group to revise its investment and cash flow assumptions initially projected in its mid-term plan for this zone.

These tests, carried out on the basis of a pro forma medium-term plan, did not result in the recognition of any impairment.

Sensitivity analyses were carried out on the basis of a one-point increase in discount rates or a one-point decrease in the growth rate for the normative year compared with those indicated in the above tests, or a half-point increase or decrease in the case of the Garden Products CGU.

These analyses show that the recoverable amount of the CGUs remains in all cases higher than the net book value of their assets.

The impairment tests were based on the asset values at June 30, 2021. A comparison was then made on the basis of asset values at June 30, 2022. This analysis does not call into question the initial results of the impairment tests.

However, the updated sensitivity tests based on asset values at June 30, 2022 show an impairment risk of 0.5% of the total value of the assets tested for the Hazera CGU, attributable to non-normative working capital needs at June 30, 2022.

1.3 - FOCUS ON THE VALUES OF THE INTANGIBLE FIXED ASSETS ALLOCATED TO THE FIELD SEEDS CGU

In millions of euros	06.30.22	06.30.21
Goodwill	338.7	323.1
Germplasm	196.6	193.6
Other intangible fixed assets	191.2	208.5
Total	726.5	725.2

2 - EVOLUTION OF NET BOOK VALUES

2.1 - GROSS VALUES

In millions of euros	
07.01.20	449.5
Acquisitions and increases	-
Impact of minority redemption commitments	-
Exits	-
Allocation of goodwill	-
Variations in scope	4.3
Reclassifications	-
Currency translations	-10.1
06.30.21	443.7
Acquisitions and increases	-
Impact of minority redemption commitments	-
Exits	-
Allocation of goodwill	-0.6
Variations in scope	-
Reclassifications	-
Currency translations	27.5
06.30.22	470.6

2.2 - IMPAIRMENTS

In millions of euros	
07.01.20	14.6
Exits	-
Impairments	-
Variations in scope	-
Reclassifications	-
Currency translation	-0.4
06.30.21	14.2
Exits	-
Impairments	-
Variations in scope	-
Reclassifications	-
Currency translation	0.9
06.30.22	15.1

2.3 - NET VALUES

In millions of euros	
06.30.21	429.5
06.30.22	455.5

3 - FURTHER INFORMATION

3.1 - ANALYSIS BY CGU

In millions of euros	06.30.22	06.30.21
CGU Vilmorin-Mikado	16.8	15.5
CGU HM.CLAUSE	92.3	83.1
CGU Hazera	4.5	4.5
CGU Field Seeds	338.7	323.1
CGU Garden Products	3.2	3.3
Net total	455.5	429.5

3.2 - IMPACT OF MINORITY REDEMPTION COMMITMENTS

There was no ongoing minority redemption operation on June 30, 2022.

NOTE 15: OTHER INTANGIBLE FIXED ASSETS

1 - EVOLUTION OF NET BOOK VALUES

1.1 - GROSS VALUES

In millions of euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
07.01.20	2,166.1	292.7	106.3	70.8	36.7	20.5	9.5	2,702.6
Acquisitions and increases	181.3	8.3	0.5	0.1	-	0.3	7.8	198.3
Exits	-	-	-5.6	-0.3	-	-	-0.3	-6.2
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	-18.2	-3.4	-0.2	-0.3	-0.3	-0.9	-	-23.3
Reclassifications	-	-	6.8	-	-	-1.0	-6.8	-1.0
06.30.21	2,329.2	297.6	107.8	70.3	36.4	18.9	10.2	2,870.4
Acquisitions and increases	196.1	0.1	0.3	-	-	-	11.1	207.6
Exits	-	-	-0.4	-	-	-	-	-0.4
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	53.7	8.8	0.7	0.7	0.8	2.1	-	66.8
Restatement for hyperinflation	-	-	0.2	-	-	-	-	0.2
Reclassifications	-	-	9.1	0.1	0.1	-	-9.2	0.1
06.30.22	2,579.0	306.5	117.7	71.1	37.3	21.0	12.1	3,144.7

1.2 - AMORTIZATION AND IMPAIRMENTS

In millions of euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
07.01.20	1,812.7	2.0	82.0	50.9	8.4	8.9	-	1,964.9
Provisions on impairments	173.6	-	7.8	2.4	-	1.7	-	185.5
Exits	-	-	-5.6	-0.3	-	-	-	-5.9
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	-14.6	-	-0.2	-0.3	-	-0.2	-	-15.3
Reclassifications	-	-	-	-0.1	-	-0.2	-	-0.3
06.30.21	1,971.7	2.0	84.0	52.6	8.4	10.2	-	2,128.9
Provisions on impairments	182.8	0.1	8.5	1.9	-	1.8	-	195.1
Exits	-	-	-0.4	-	-	-	-	-0.4
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	44.8	-	0.7	0.5	0.1	0.9	-	47.0
Restatement for hyperinflation	-	-	0.1	-	-	-	-	0.1
Reclassifications	-	-	-	-	-	-0.1	-	-0.1
06.30.22	2,199.3	2.1	92.9	55.0	8.5	12.8	-	2,370.6

1.3 - NET VALUES

In millions of euros	Development costs	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Current fixed assets	Total
06.30.21	357.5	295.6	23.8	17.7	28.0	8.7	10.2	741.5
06.30.22	379.7	304.4	24.8	16.1	28.8	8.2	12.1	774.1

2 - FURTHER INFORMATION

2.1 - INTERNALLY GENERATED FIXED ASSETS

In addition to development programs whose evolution is tracked above and in Note 8, movements concerning internally generated fixed assets are as follows:

In millions of euros	Software	Patents and licenses	Other intangible fixed assets	Total
07.01.20 (net value)	-	1.0	0.1	1.1
New fixed assets	-	0.1	-	0.1
Fixed assets taken out	-	-	-	-
Variations in scope	-	-	-	-
Currency translations	-	-	-	-
Reclassifications	-	-	-	-
Provisions for amortization	-	-0.3	-	-0.3
06.30.21 (net value)	-	0.8	0.1	0.9
New fixed assets	-	-	-	-
Fixed assets taken out	-	-	-	-
Variations in scope	-	-	-	-
Currency translations	-	0.1	-	0.1
Reclassifications	-	0.1	0.1	0.2
Provisions for amortization	-	-0.1	-	-0.1
06.30.22 (net value)	-	0.9	0.2	1.1

2.2 - IMPAIRMENTS

An impairment test was conducted in accordance with the methodology described in Note 1 paragraph 11 of "Accounting methods and principles in IFRS standards." The evolution is as follows:

In millions of euros	Germplasm	Software	Patents and licenses	Brands	Other intangible fixed assets	Total
07.01.20	0.4	0.9	8.1	8.3	-	17.7
Fiscal year 20-21	-	-0.2	0.2	-	-	-
06.30.21	0.4	0.7	8.3	8.3	-	17.7
Fiscal year 21-22	0.2	-	-1.2	-	-	-1.0
06.30.22	0.6	0.7	7.1	8.3	-	16.7

As stipulated in Note 1 paragraph 9.4 of "Accounting methods and principles in IFRS standards," germplasm is tested in the CGU to which it belongs in the case of goodwill impairment tests. Consequently, hypotheses are set out in detail in Note 14.

2.3 - ANALYSIS OF GERmplasm PER BUSINESS SEGMENT

In millions of euros	06.30.22	06.30.21
Vegetable Seeds	107.8	102.0
Field Seeds	196.6	193.6
Garden Products and Holdings	-	-
Net total	304.4	295.6

Most of the germplasm* related to the Field Seeds activities is held by the company Limagrain Europe. With regard to Vegetable Seeds, it is spread out between the main subsidiaries working in this operating segment.

NOTE 16: TANGIBLE FIXED ASSETS

1 - EVOLUTION OF NET BOOK VALUES

1.1 - GROSS VALUES

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
07.01.20	30.5	277.8	106.4	209.5	15.8	58.1	22.2	720.3
Acquisitions and increases	-	4.2	1.9	9.8	0.9	2.9	24.0	43.7
Exits	-0.7	-9.1	-3.8	-6.6	-0.8	-2.1	-	-23.1
Variations in scope	0.6	2.2	-	0.4	-	0.8	-	4.0
Currency translations	-0.8	-4.2	-	-2.8	-0.1	-0.3	-0.5	-8.7
Reclassifications	0.1	9.1	1.8	8.6	2.3	-1.4	-19.7	0.8
06.30.21	29.7	280.0	106.3	218.9	18.1	58.0	26.0	737.0
Acquisitions and increases	0.1	3.6	3.7	9.4	1.3	3.0	22.4	43.5
Exits	-0.1	-2.7	-0.4	-3.6	-1.3	-1.8	-	-9.9
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	0.3	7.1	0.2	5.0	0.5	1.8	0.7	15.6
Restatement for hyperinflation	1.1	4.1	0.3	4.8	0.1	0.9	-	11.3
Reclassifications	-	18.7	-0.2	3.4	1.9	1.1	-25.0	-0.1
06.30.22	31.1	310.8	109.9	237.9	20.6	63.0	24.1	797.4

1.2 - DEPRECIATION AND IMPAIRMENTS

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
01.07.20	3.1	143.4	76.4	153.8	12.8	41.9	-	431.4
Provisions on impairments	0.2	11.2	5.0	10.7	0.9	3.8	-	31.8
Exits	-	-8.1	-3.7	-6.0	-0.8	-1.8	-	-20.4
Variations in scope	-	-	-	-	-	0.2	-	0.2
Currency translations	-	-1.8	0.1	-1.8	-0.1	-0.1	-	-3.7
Reclassifications	-	0.1	-	0.1	1.7	-1.8	-	0.1
06.30.21	3.3	144.8	77.8	156.8	14.5	42.2	-	439.4
Provisions on impairments	0.2	12.4	4.8	11.3	1.3	3.8	-	33.8
Exits	-	-2.3	-0.3	-3.4	-1.3	-1.6	-	-8.9
Variations in scope	-	-	-	-	-	-	-	-
Currency translations	-	3.3	-	3.4	0.5	1.2	-	8.4
Restatement for hyperinflation	-	1.1	0.2	3.6	0.1	0.5	-	5.5
Reclassifications	-0.1	5.3	-3.2	-2.6	1.0	-0.2	-	0.2
06.30.22	3.4	164.6	79.3	169.1	16.1	45.9	-	478.4

FINANCIAL INFORMATION

6.1. CONSOLIDATED FINANCIAL STATEMENTS

1.3 - NET VALUES

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets	Current fixed assets	Total
06.30.21	26.4	135.2	28.5	62.1	3.6	15.8	26.0	297.6
06.30.22	27.7	146.2	30.6	68.8	4.5	17.1	24.1	319.0

2 - FURTHER INFORMATION

IMPAIRMENTS

An impairment test was conducted in accordance with the methodology described in Note 1 paragraph 11 of "Accounting methods and principles in IFRS standards." The evolution is as follows:

In millions of euros	Land	Constructions	Installations, equipment and others	Total
07.01.20	-	0.3	-	0.3
Fiscal year 20-21		-	-	
06.30.21	-	0.3	-	0.3
Fiscal year 21-22	-		-	-
06.30.22	-	0.3	-	0.3

NOTE 17: RIGHT-OF-USE-LEASED ASSETS

1 - EVOLUTION OF NET BOOK VALUES

1.1 - GROSS VALUES

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets ⁽¹⁾	Total
07.01.20	7.7	86.4	1.5	5.2	1.6	40.2	142.6
Acquisitions and increases	0.3	4.0	-	1.3	0.7	10.6	16.9
Exits	-0.5	-2.9	-	-0.7	-0.1	-2.7	-6.9
Variations in scope	-	-	-	-	-	-	-
Currency translations	0.1	-0.5	-	-	-0.1	-0.5	-1.0
Reclassifications	1.9	-0.4	-	0.3	-0.3	-0.7	0.8
06.30.21	9.5	86.6	1.5	6.1	1.8	46.9	152.4
Acquisitions and increases	1.5	25.5	-	2.1	-	12.6	41.7
Exits	-0.2	-12.7	-	-1.3	-0.4	-12.2	-26.8
Variations in scope	-	-	-	-	-	-	-
Currency translations	0.6	2.7	-	0.1	0.1	1.7	5.2
Restatement for hyperinflation	0.1	0.4	-	-	-	1.2	1.7
Reclassifications	2.6	0.9	-	-0.5	-0.2	0.8	3.6
06.30.22	14.1	103.4	1.5	6.5	1.3	51.0	177.8

(1) The proportion of vehicles represented 45.4 million euros on June 30, 2022.

1.2 - DEPRECIATION AND VALUE LOSSES

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets ⁽¹⁾	Total
07.01.20	0.8	49.9	1.5	3.4	0.9	22.9	79.4
Provisions on impairments	-0.1	9.7	-	1.0	0.3	11.6	22.5
Exits	-	-2.4	-	-0.5	-0.1	-2.4	-5.4
Variations in scope	-	-	-	-	-	-	-
Currency translations	0.0	-0.2	-	-	-0.1	-0.2	-0.5
Reclassifications	-0.2	-1.0	-	-0.1	-0.1	-3.8	-5.2
06.30.21	0.5	56.0	1.5	3.8	0.9	28.1	90.8
Provisions on impairments	0.2	11.3	-	1.5	0.3	12.8	26.1
Exits	-	-8.7	-	-1.2	-0.4	-10.3	-20.6
Variations in scope	-	-	-	-	-	-	-
Currency translations	-	1.2	-	0.1	0.1	0.9	2.3
Restatement for hyperinflation	-	0.4	-	-	-	0.6	1.0
Reclassifications	-0.7	-4.2	-	-0.8	-0.3	-3.8	-9.8
06.30.22	-	56.0	1.5	3.4	0.6	28.3	89.8

(1) The proportion of vehicles represented 25.1 million euros on June 30, 2022.

1.3 - NET VALUES

In millions of euros	Land and fittings	Constructions and fittings	Complex installations	Industrial equipment	Office equipment	Other tangible fixed assets ⁽¹⁾	Total
06.30.21	9.0	30.6	-	2.3	0.9	18.8	61.6
06.30.22	14.1	47.4	-	3.1	0.7	22.7	88.0

(1) The proportion of vehicles represented 20.3 million euros on June 30, 2022.

2 - FURTHER INFORMATION

IMPAIRMENTS

An impairment test was conducted in accordance with the methodology described in Note 1 paragraph 11 of "Accounting methods and principles in IFRS standards."

No impairment was noted on right-of-use leased assets on June 30, 2022.

NOTE 18: NON-CURRENT FINANCIAL FIXED ASSETS

1 - EVOLUTION OF NET BOOK VALUES

1.1 - GROSS VALUES

In millions of euros	Financial assets available for sale	Other financial fixed assets	Loans and other receivables	Sub-total Financial fixed assets	Other non-current financial assets (including derivatives)	Total non-current financial assets
07.01.20	16.5	11.4	11.2	39.1	4.2	43.3
Increases	-	1.6	1.0	2.6	-	2.6
Decreases	-3.6	-7.3	-1.6	-12.5	-	-12.5
Variations in scope	0.3	-	-	0.3	-	0.3
Currency translations	-	-	0.1	0.1	-	0.1
Reclassifications	-0.6	-0.1	-1.7	-2.4	-	-2.4
06.30.21	12.6	5.6	9.0	27.2	4.2	31.4
Increases	-	1.3	0.9	2.2	-	2.2
Decreases	-0.4	-6.2	-0.2	-6.8	-	-6.8
Variations in scope	3.1	-	-	3.1	-	3.1
Fair value adjustments	-	-	-0.3	-0.3	-	-0.3
Currency translations	-	-	0.2	0.2	-	0.2
Reclassifications	-0.3	1.6	4.0	5.3	-4.2	1.1
06.30.22	15.0	2.3	13.6	30.9	-	30.9

1.2 - IMPAIRMENTS

In millions of euros	Financial assets available for sale	Other financial fixed assets	Loans and other receivables	Sub-Total Financial fixed assets	Other non-current financial assets (including derivatives)	Total non-current financial assets
07.30.20	8.9	-	-	8.9	-	8.9
Provisions	1.2	-	-	1.2	-	1.2
Write-backs	-4.5	-	-	-4.5	-	-4.5
Variations in scope	0.3	-	-	0.3	-	0.3
Currency translations	-	-	-	-	-	-
Reclassifications	0.9	-	-	0.9	-	0.9
06.30.21	6.8	-	-	6.8	-	6.8
Provisions	-	-	-	-	-	-
Write-backs	-	-	-	-	-	-
Fair value adjustments	-0.1	-	-	-0.1	-	-0.1
Variations in scope	3.1	-	-	3.1	-	3.1
Currency translations	-	-	-	-	-	-
Reclassifications	-0.3	-	-	-0.3	-	-0.3
06.30.22	9.5	-	-	9.5	-	9.5

1.3 - NET VALUES

In millions of euros	Financial assets available for sale	Other financial fixed assets	Loans and other receivables	Sub-Total Financial fixed assets	Other non-current financial assets (including derivatives)	Total non-current financial assets
06.30.21	5.8	5.6	9.0	20.4	4.2	24.6
06.30.22	5.5	2.3	13.6	21.4	-	21.4

2 - FURTHER INFORMATION

2.1 - ANALYSIS OF FINANCIAL ASSETS BY CATEGORY

In millions of euros	06.30.22	06.30.21
Financial assets available for sale	5.5	5.8
Other financial fixed assets	1.5	-
Other non-current financial assets	-	-
Total financial assets at fair value	7.0	5.8
Other financial fixed assets	0.8	5.6
Loans and other receivables	13.6	9.0
Other non-current financial assets	-	4.2
Total financial assets at amortized cost	14.4	18.8

2.2 - NON-CONSOLIDATED EQUITY INVESTMENTS

Financial assets available for sale appear on this line. They are assessed in compliance with the rules described in Note 1 paragraph 21.1.3 of the "Accounting methods and principles in IFRS standards."

All securities are classified in fair value by "Other items in the comprehensive income" with the exception of the FUL securities acquired in December 2018 which have been allocated in fair value by income.

The contents of the line "Other financial assets available for sale" are set out below:

Companies	06.30.22		06.30.21 last known balance sheet		Financial data	
	% held	Net (in M€)	% held	Net (in M€)	Equity (in M€)	Income (in M€)
Avesthagen	4.14	-	4.14	-		
Exotic Systems	20.23	-	20.23	-		
FUL	-	-	5.78	-		
PSL Innovation	7.65	5.0	7.65	5.0		
Miscellaneous		0.5		0.8		
Total		5.5		5.8		

NOTE 19: EQUITY SHARES

1 - DETAILS OF EQUITY SHARES

In millions of euros	06.30.22	06.30.21
AgReliant Genetics Inc.	10.2	8.0
AgReliant Genetics LLC	197.7	184.7
Australian Grain Technologies (AGT)	32.2	29.0
Canterra Seeds	6.4	5.5
Carthage Génétique	0.4	0.5
DLF France	2.3	1.9
Genective	10.0	9.7
Hazera China	4.8	4.3
Hengji Limagrain	13.9	8.5
Innolea	5.4	5.5
Keygene Holding	4.7	5.3
Prime Seed Co International	2.2	0.9
Prime Seed Co Zimbabwe	1.1	1.1
Seed Co International	57.0	46.1
Seed Co West and Central Africa	0.1	0.1
Seed Co Zimbabwe	37.1	50.9
Soltis	26.2	23.3
Unisigma	-0.2	-0.3
Total	411.5	385.0
Variation for the fiscal year	26.5	35.1

2 - FURTHER INFORMATION

2.1 - ANALYSIS OF VARIATIONS OVER THE FISCAL YEAR

Variation for the fiscal year corresponds to the lines below:

In millions of euros	21-22	20-21
Proportion of income for the fiscal year	17.9	26.3
> AgReliant Genetics Inc.	1.5	1.4
> AgReliant Genetics LLC	2.5	10.6
> Australian Grain Technologies (AGT)	3.0	3.7
> Canterra Seeds	0.3	0.3
> Carthage Génétique	0.1	0.1
> DLF France	0.4	0.2
> Genective	0.3	-0.1
> Hazera China	0.3	0.4
> Hengji Limagrain	4.4	3.0
> Innolea	-	-
> Keygene Holding	-0.7	-1.1
> Prime Seed Co International	-0.2	-0.1
> Prime Seed Co Zimbabwe	0.2	-0.7
> Seed Co International	2.0	2.8
> Seed Co West and Central Africa	0.1	
> Seed Co Zimbabwe	-0.5	2.4
> Soltis	4.6	3.7
> Unisigma	-0.4	-0.3
Variations in scope, variation in percentages of interest and others ⁽¹⁾	0.7	8.3
Distributions	-10.0	-4.5
Impact of hyperinflationary currency adjustments	1.9	15.9
Impact of adjustments related to the change in functional currency	-	-
Currency translation	16.0	-10.9
Total	26.5	35.1

(1) For fiscal year 2021-2022:

- variation in the fair value of the commodities hedging contracts of AgReliant Genetics LLC	- 2.5
- variation in the fair value of the commodities hedging contracts of AgReliant Genetics Inc	0.2
- increase in the capital stock of Prime Seed Co International	1.3
- increase in the capital stock of Prime Seed Co Zimbabwe	0.3
- increase in the capital stock of Seed Co International	0.9
- variation in our interest rate at Seed Co International	0.3
- miscellaneous	0.2

For fiscal year 2020-2021:

- the scope entry of Seed Co West and Central Africa	0.1
- variation in the fair value of the commodities hedging contracts of AgReliant Genetics LLC	5.5
- increase in the capital stock of Hengji Limagrain	1.8
- adjustment made on the assets of Hengji Limagrain	- 1.2
- variation in our interest rate at Seed Co International	2.1

2.2 - FINANCIAL INFORMATION CONCERNING THE MAIN EQUITY SHARES

2.2.1 - For fiscal year 2021-2022

In millions of euros	AgReliant Genetics	Seed Co Zimbabwe ⁽¹⁾	Seed Co International ⁽¹⁾
Sales	488.6	24.3	78.4
Net income	8.0	-1.7	6.3
Other comprehensive income	-4.6	6.9	5.2
Comprehensive income	3.5	5.2	11.5
Non-current assets	275.4	28.4	56.5
Current assets	296.4	21.7	95.2
> including cash and cash equivalents	43.1	0.7	19.2
Non-current liabilities (excluding equity)	46.0	9.8	14.8
Current liabilities	248.8	6.6	44.4
Net financial indebtedness	43.6	7.4	21.4
Dividends paid out by the associated company	14.8	-	3.6
Total assets	571.8	50.1	151.7
Total liabilities (excluding equity)	294.8	16.4	59.2

(1) Accounts closed on March 31, 2022.

Seed Co Zimbabwe and Seed Co International are publicly listed companies on the Zimbabwe Stock Exchange and the Zimbabwe-Botswana dual listing respectively.

	Seed Co Zimbabwe	Seed Co International
Market value of the share	170.0 ZWL	2.7 BWP
Number of shares held by the group	72,098,086	127,399,703
Market value of the shares held ⁽¹⁾	32.0 MEUR	26.9 MEUR ⁽²⁾
Value of the equity shares	37.1 MEUR	57.0 MEUR

(1) Market value on June 30, 2022.

(2) Average of the values obtained on each of the two stock exchanges.

We believe that the stock market valuation method for Seed Co Zimbabwe and Seed Co International is not relevant because we can observe very little liquidity in these shares.

The discounted cash flow method makes it possible to justify the value of these securities beyond their book value.

We have not identified any indication of impairment of these securities.

2.2.2 - For fiscal year 2020-2021

In millions of euros	AgReliant Genetics	Seed Co Zimbabwe ⁽¹⁾	Seed Co International ⁽¹⁾
Sales	442.3	57.7	74.2
Net income	24.1	8.2	9.3
Other comprehensive income	11.4	6.0	-0.5
Comprehensive income	35.5	14.2	8.8
Non-current assets	252.8	73.4	42.9
Current assets	236.7	58.3	72.5
> including cash and cash equivalents	35.8	5.3	8.3
Non-current liabilities (excluding equity)	40.2	17.5	3.1
Current liabilities	197.5	21.0	42.0
Net financial indebtedness	47.4	17.1	18.9
Dividends paid out by the associated company	5.8	-	-
Total assets	489.5	131.7	115.4
Total liabilities (excluding equity)	237.7	38.5	45.1

(1) Accounts closed on March 31, 2021.

2.3 - FINANCIAL INFORMATION CONCERNING OTHER ASSOCIATED COMPANIES CONSOLIDATED USING THE EQUITY METHOD

2.3.1 - For fiscal year 2021-2022

In millions of euros	Australian Grain Technologies (AGT) ⁽¹⁾	Canterra Seeds ⁽¹⁾	Carthage Génétique ⁽³⁾	DLF ⁽⁴⁾	Genective
Sales	32.0	26.6	0.5	31.7	-
Net income	10.4	0.3	0.1	1.3	0.6
Assets	82.7	17.5	1.1	9.2	29.7
Liabilities (excluding equity)	6.1	7.0	0.4	4.0	20.5

In millions of euros	Hazera China	Hengji Limagrain	Innolea	Keygene Holding ⁽²⁾	Prime Seed Co International ⁽⁵⁾
Sales	7.0	32.5	-	17.1	5.2
Net income	0.6	9.7	-0.2	-2.6	-0.3
Assets	8.9	40.5	23.4	27.4	7.9
Liabilities (excluding equity)	3.8	9.7	1.5	6.5	3.2

In millions of euros	Prime Seed Co Zimbabwe ⁽⁵⁾	Seed Co West and Central Africa ⁽⁵⁾	Soltis	Unisigma
Sales	2.9	0.2	24.7	1.7
Net income	0.5	0.1	8.2	-0.4
Assets	2.2	0.4	54.8	1.2
Liabilities (excluding equity)	0.8	0.5	15.8	1.0

(1) Accounts closed on September 30, 2021.

(2) Accounts closed on December 31, 2021.

(3) Interim close on June 30, 2022.

(4) Accounts closed on June 30, 2022.

(5) Accounts closed on March 31, 2022.

2.3.2 - For fiscal year 2020-2021

In millions of euros	Australian Grain Technologies (AGT) ⁽¹⁾	Canterra Seeds ⁽¹⁾	Carthage Génétique ⁽³⁾	DLF ⁽⁴⁾	Genective
Sales	17.3	20.6	0.5	31.3	-
Net income	3.3	0.2	0.2	0.5	-
Assets	67.3	14.9	1.4	7.8	32.1
Liabilities (excluding equity)	3.4	5.6	0.5	3.4	23.5

In millions of euros	Hazera China	Hengji Limagrain	Innolea	Keygene Holding ⁽²⁾	Prime Seed Co International ⁽⁵⁾
Sales	6.1	26.3	-	37.5	4.3
Net income	0.7	6.6	0.2	12.8	-0.2
Assets	6.1	27.9	23.7	34.1	6.3
Liabilities (excluding equity)	2.0	9.1	1.6	6.7	4.4

In millions of euros	Prime Seed Co Zimbabwe ⁽⁵⁾	Seed Co West and Central Africa ⁽⁵⁾	Soltis	Unisigma
Sales	4.5	0.3	23.4	1.9
Net income	-1.4	-0.2	6.8	-0.7
Assets	4.4	0.4	52.8	1.6
Liabilities (excluding equity)	2.8	0.6	18.6	1.7

(1) Accounts closed on September 30, 2020.

(2) Accounts closed on December 31, 2020.

(3) Interim close on June 30, 2021.

(4) Accounts closed on June 30, 2021.

(5) Accounts closed on March 31, 2021.

NOTE 20: INVENTORIES

1 - EVOLUTION OF NET BOOK VALUES

In millions of euros	06.30.2022			06.30.2021		
	Gross value	Provision	Net value	Gross value	Provision	Net value
Commodities and other supplies	165.1	-7.4	157.7	127.2	-10.8	116.4
Products in progress	188.0	-16.2	171.8	196.4	-16.9	179.5
Goods	64.7	-6.9	57.8	53.3	-7.2	46.1
Finished products	216.8	-20.3	196.5	184.2	-21.4	162.8
Total	634.6	-50.8	583.8	561.1	-56.3	504.8
Variation for the fiscal year			79.0	-	-	-23.9

2 - FURTHER INFORMATION

2.1 - VARIATIONS FOR THE FISCAL YEAR CORRESPOND TO THE FOLLOWING ITEMS:

In millions of euros	21-22		20-21
Variations in scope (net of provisions)		-	0.3
Variations in gross values		48.0	-29.0
Variations in provisions for impairment including:		7.4	14.0
> <i>new provisions</i>	-28.7		-34.0
> <i>used provisions</i>	28.6		40.6
> <i>provisions written back</i>	7.5		7.4
Restatement for hyperinflation		2.1	-
Reclassifications		-0.7	-
Currency translations		22.2	-9.2
Total		79.0	-23.9

2.2 - PROVISIONS FOR IMPAIRMENT ARE MADE IN ACCORDANCE WITH THE METHODS DESCRIBED IN NOTE 1 PARAGRAPH 13 OF THE "ACCOUNTING METHODS AND PRINCIPLES IN IFRS STANDARDS."

Their evolution, as a percentage of the gross value of inventory, was as follows:

- On June 30, 2021: 10.0%
- On June 30, 2022: 8.0%

NOTE 21: TRADE RECEIVABLES

1 - EVOLUTION OF NET BOOK VALUES

In millions of euros	06.30.22	06.30.21
Customer receivables	398.3	365.7
Advance payment to suppliers	30.0	23.8
Personnel and social security	1.4	1.3
State, income taxes	65.5	61.4
Other tax receivables	50.7	43.7
Other operating receivables	18.6	17.0
Prepayments	19.1	17.5
Gross total	583.6	530.4
Customer receivables	-25.4	-24.5
Other operating receivables	-0.5	-0.4
Total provisions for impairment	-25.9	-24.9
Net book values	557.7	505.5
Variation for the fiscal year	52.2	11.4

2 - FURTHER INFORMATION

2.1 - VARIATIONS FOR THE FISCAL YEAR COMPRISE THE FOLLOWING MAIN ITEMS:

In millions of euros	21-22	20-21
Variations in scope (net of provisions)	-	0.3
Variations in gross values	38.5	17.6
Variations in provisions for impairment including	-0.3	2.0
- New provisions	-4.8	-3.7
- Used provisions	0.9	3.8
- Provisions written back	3.6	1.9
Reclassifications and others	-1.7	0.8
Currency translations	15.7	-9.3
Total	52.2	11.4

2.2 - ASSIGNMENTS OF RECEIVABLES

The group assigned trade and tax receivables without recourse to various financial institutions. These receivables are derecognized at their gross amount. Unfinanced receivables are maintained as receivables. Security deposits are classified as non-current financial assets. The net amounts are an improvement on the cash position.

The book value of receivables assigned and derecognized as of June 30, 2022 was as follows:

In millions of euros	06.30.22	06.30.21
Total gross amount of receivables assigned	77.6	94.4
Net impact on indebtedness	-63.9	-82.5

The impact of these operations on the financial result was -2.9 million euros on June 30, 2022, as opposed to -0.8 million euros on June 30, 2021.

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6.1. CONSOLIDATED FINANCIAL STATEMENTS

NOTE 22: CASH AND CASH EQUIVALENTS

1 - EVOLUTION OF FAIR VALUES

In millions of euros	06.30.22	06.30.21
Financial current accounts	1.0	1.8
Placement securities held for purposes of transaction	28.3	19.2
Cash and bank in hand	292.0	259.5
Total	321.3	280.5
Variation for the fiscal year	40.8	45.3

The measurement rules applicable for this line are described in Note 1 paragraph 22 of the "Accounting methods and principles in IFRS standards".

2 - FURTHER INFORMATION

2.1 - ANALYSIS OF THE VARIATIONS FOR THE FISCAL YEAR

In millions of euros	Total
FISCAL YEAR 21-22	
Variations in scope	-0.1
Variations in gross value	32.6
Currency translations	9.8
New provisions	-
Reclassifications and others	-1.5
Total	40.8
FISCAL YEAR 20-21	
Variations in scope	4.3
Variations in gross value	43.5
Currency translations	-2.5
New provisions	-
Reclassifications and others	-
Total	45.3

NOTE 23: SHAREHOLDERS' EQUITY - ATTRIBUTABLE TO CONTROLLING COMPANY

1 - COMPOSITION OF THE SHAREHOLDERS' EQUITY

In millions of euros	06.30.22	06.30.21
Parent capital stock	349.5	349.5
Issue premium	300.6	300.6
Parent legal reserve	31.7	28.8
Other parent reserves	21.1	0.2
Consolidation reserves and others	687.4	638.5
Currency translation reserves	-47.9	-128.7
Income for the fiscal year	92.2	92.3
Total	1,434.6	1,281.2
Variation for the fiscal year	153.4	66.4

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity."

2 - FURTHER INFORMATION

VILMORIN & CIE CAPITAL STOCK

Vilmorin & Cie's capital stock comprises 22,917,292 shares, each with a nominal value of 15.25 euros. There was no change to the capital stock over the fiscal year.

The Company's by-laws stipulate that for the purpose of General Meetings, without prejudice to restrictions resulting from any laws and decrees in force, each member of the General Meeting may cast as many votes as the number of shares he or she owns or represents, without any limits.

Nevertheless, double voting rights compared to other shares, considering the share capital quota they represent, are granted to any shares fully paid up for which it can be shown that they have been registered in the name of the same shareholder for a period of at least four years.

This right is also granted in the case of any increase in capital stock through incorporation of reserves, profits or types of issue and as soon as they are issued, for any nominative shares granted without cost to any shareholder who holds former shares that benefit from this right.

NOTE 24: SHAREHOLDERS' EQUITY – ATTRIBUTABLE TO NON-CONTROLLING MINORITIES

1 - COMPOSITION OF THE SHAREHOLDERS' EQUITY – ATTRIBUTABLE TO NON-CONTROLLING MINORITIES

In millions of euros	06.30.22	06.30.21
Consolidation reserves and others	64.7	63.7
Currency translation reserves	-19.1	-17.0
Income for the fiscal year	3.2	1.1
Total	48.8	47.8
Variation for the fiscal year	1.0	32.8

Variations for the fiscal year are analyzed in the table "Variations in consolidated equity".

2 - FURTHER INFORMATION

- Characteristics of the bonds redeemable as shares (ORA) issued by Limagrain Europe:

Issuing company	Limagrain Europe ⁽¹⁾
Date of entitlement	February 3, 2021
Number of securities issued	15 714
Issue premium	795.5 €
Total income from the issue	12.5 M€
Interest rate	1.00%
Due date	February 3, 2028
Normal redemption conditions	1 Limagrain Europe share for 1 bond

(1) The exact remuneration is 1% plus the amount of any dividend paid out per Limagrain Europe share for the last closed fiscal year, with a yearly minimum of 3%.

- The impact on equity of the bonds redeemable as shares (ORA) is as follows:

In millions of euros	Gross total of ORA bonds	Impact on the balance sheet		
		Debt component	Deferred taxes assets	Equity component
07.01.20	-	-	-	-
Initialization of the new ORA bonds	12.5	3.5	-0.5	9.5
Restatement of the interest on the debt component	-	-0.1	-	0.1
06.30.21	12.5	3.4	-0.5	9.6
Restatement of the debt component	-	-0.2	0.1	0.1
06.30.22	12.5	3.2	-0.4	9.7

NOTE 25: PROVISIONS FOR EMPLOYEE BENEFITS

Provisions for employee benefits are analyzed as follows:

In millions of euros	06.30.22	06.30.21
Provisions for lump sums paid at retirement	18.4	23.0
Commitments for "work medal" bonuses and other benefits	1.1	1.2
Pension schemes	16.8	24.8
Provisions for employee benefits	36.3	49.0
Financial assets	-1.5	-
Net commitment recorded	34.8	49.0

The evaluation rules applied to this line are described in Note 1 paragraph 16 of the "Accounting methods and principles in IFRS standards."

In accordance with the laws and practices of each country in which it operates, Vilmorin & Cie has obligations with regard to employee benefits:

- Unfunded pension and other post-retirement benefit obligations mainly concern French companies.
- Commitments for "work medal" bonuses and other benefits also mainly concern French companies.
- Commitments with regard to pension plans and similar schemes are the responsibility of the non-French subsidiaries.

Taking Vilmorin & Cie as a whole, three countries represent around 84% of the commitments: the United Kingdom, the United States and France.

In the United Kingdom there are two types of defined benefit pension plans representing 43% of the group's commitments. These plans provide for the payment of a lifetime pension as of when the employee retires, the amount of which depends on the seniority and the salary. The plans are funded by the group and managed by a Board of Directors. These plans are no longer available to new employees, and the acquisition of rights has been frozen.

In the United States, there is a defined benefit pension plan representing 31% of the group's commitments. This plan provides for the payment of a lifetime pension as of when the employee retires, the amount of which depends on the seniority and the salary. The plan is funded by the group. This plan was closed off to new employees in 2012. A defined contributions plan also forms part of the provisions.

In France, the plan comprising lump sums paid at retirement represents 10% of the group's commitments. This plan provides for the payment of a lump sum, the amount of which depends on the seniority, the salary and any rights set down in the collective bargaining agreement at the date when retirement is taken.

Vilmorin & Cie's commitments are assessed by independent actuaries.

1 - EVOLUTION OVER THE COURSE OF THE FISCAL YEAR

The evolution of the current value of obligations with regard to defined contribution schemes and other long-term benefits is as follows:

In millions of euros	21-22	20-21
Current value of obligations at opening of the fiscal year	236.5	243.3
First application of IFRIC ⁽¹⁾	-2.2	-
Cost of services rendered for the year (net of contributions)	4.2	4.5
Financial cost	4.9	4.3
Participants' contributions	-	-
Welfare services paid out	-13.0	-12.9
Cost of past services recorded	1.4	0.3
Effect of liquidation / reduction of future services	-	-
Currency translations and others	8.6	2.7
Variations in scope	-	-
Revaluations	-47.6	-5.7
> <i>Changes in demographic hypotheses</i>	0.2	-0.3
> <i>Changes in financial hypotheses</i>	-49.8	-5.2
> <i>Adjustments linked to experience</i>	2.0	-0.2
Current value of obligations at the close of the fiscal year (a)	192.8	236.5

(1) First application of the IFRIC IC interpretation in April 2021 concerning the attribution of post-employment benefits to periods of service.

Evolution of the fair value of the assets of defined contribution schemes is as follows:

In millions of euros	21-22	20-21
Fair value of forward assets at opening of the fiscal year	187.5	174.2
Financial charges	4.2	3.2
Expected returns on forward assets	-35.5	13.4
Employers' contributions	3.8	3.6
Participants' contributions	-	-
Welfare services paid out	-10.3	-10.4
Effect of liquidation/reduction of future services	-	-
Variations in scope	-	-
Currency translations and others	8.3	3.5
Fair value of forward assets at close of the fiscal year (b)	158.0	187.5

Reconciliation of balance sheet data with the actuarial obligation concerning defined contribution schemes and other long-term benefits can be analyzed as follows on June 30, 2022:

In millions of euros	06.30.22	06.30.21
Adjusted value of the commitment	192.8	236.5
Fair value of assets of schemes	-158.0	-187.5
Provisions for employee benefits (a-b)	34.8	49.0

2 - IMPACTS ON THE COMPREHENSIVE INCOME

The total recorded charge for defined contribution schemes and other long-term benefits are analyzed as follows:

In millions of euros	21-22	20-21
Cost of services rendered	4.2	4.5
Cost of past services recorded	1.4	0.3
Net financial cost	0.7	1.1
Recognized actuarial losses or gains	-0.2	-
Effect of liquidations / reductions	-	-
Other charges	-	-
Recorded charge	6.1	5.9

OTHER ITEMS IN THE COMPREHENSIVE INCOME

Reassessments are recorded in the other items of the comprehensive income, and can be analyzed as follows:

In millions of euros	21-22	20-21
Returns on forward assets	35.5	-13.4
Actuarial losses or gains	-47.4	-5.7
> <i>Changes in demographic hypotheses</i>	0.2	-0.2
> <i>Changes in financial hypotheses</i>	-49.6	-5.2
> <i>Adjustments linked to experience</i>	2.0	-0.3
Statement of the capping of assets	-	-
Items recognized in the statement of the comprehensive income during the fiscal year	-11.9	-19.1

3 - ACTUARIAL HYPOTHESES

The main actuarial hypotheses used to estimate the group's obligations are as follows:

- Europe

As a %		Europe (except United Kingdom)		United Kingdom	
		2022	2021	2022	2021
Average duration of the plan	year	12.0	13.5	14.4	16.2
Discount rate		3.25	1.00	3.90	1.90
Salaries progression rate	%	2.92	2.53	Not available	Not available
Inflation rate		2.45	1.80	3.40	3.50

- Americas

As a %		2022	2021
Average duration of the plan	year	11.2	13.0
Discount rate		4.75	3.05
Salaries progression rate	%	3.00	3.00
Inflation rate		Not available	Not available

- Asia

As a %		2022	2021
Average duration of the plan	year	10.9	11.4
Discount rate		1.35	0.95
Salaries progression rate	%	Not available	Not available
Inflation rate		Not available	Not available

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- Middle East

As a %		2022	2021
Average duration of the plan	year	8.4	8.4
Discount rate		4.10	2.50
Salaries progression rate	%	3.63	2.77
Inflation rate		2.60	1.75

The rates presented above are average rates weighted by the commitment at the date when the accounts were closed.

The adjustment rates in the United Kingdom, the United States and in the euro zone are determined using bond yield rate curves, built up on the basis of a high-quality basket of corporate bonds (rated AA) whose maturity corresponds to the weighted average duration (by commitment) of the plans being assessed.

The inflation rates used correspond to the long-term objectives of the central banks in the above-mentioned monetary zones.

Assessment of the group's commitments is subject to the volatility of discount rates. A 25 percentage-point increase in the discount rate cuts the value of the commitment by 2.82%, which is 5.3 million euros. A 25 percentage-point drop in the discount rate increases the value of the commitment by 3.07%, which is 5.8 million euros.

4 - NATURE OF THE ASSETS OF THE SCHEMES

The assets for the schemes are invested in the following:

In millions of euros	06.30.22	06.30.21
Listed assets	156.3	184.8
Shares	85.8	108.3
Government bonds	1.2	1.4
Corporate bonds	22.7	23.1
Other bonds	28.3	30.8
Cash and cash equivalents	1.7	1.7
Other listed securities	0.6	0.6
Real estate	2.5	2.5
Insurance contracts	13.5	16.4
Unlisted assets	1.7	2.7
Real estate	-	-
Insurance contracts	1.7	2.7
Total	158.0	187.5

The assets for the schemes do not include land or premises occupied by the group's companies or other assets used or issued by the group.

5 - PROJECTED CASH FLOWS

In millions of euros	06.30.22	06.30.21
Estimates of the benefits to be paid out		
< 1 year	2.2	2.6
From 2 to 5 years	9.4	8.3
From 6 to 10 years	14.6	13.8
Employer contributions planned for N+1	4.0	3.7

NOTE 26: DEFERRED TAXES

1 - EVOLUTION OF BOOK VALUES

In millions of euros	Deferred taxes assets	Deferred taxes liabilities	Impact on the income	Impact on the reserves
07.30.20	24.9	93.1	4.0	5.0
Variations in scope	0.4	-		
Variations impacting income	6.4	-1.7	8.1	
Variations impacting reserves	-4.4	0.7		-5.1
Reclassifications	0.7	1.1		
Currency translations	0.3	-0.8		
06.30.21	28.3	92.4	8.1	-5.1
Variations in scope	-	-		
Variations impacting income	1.1	3.8	-2.7	
Variations impacting reserves	-0.5	3.5		-4.0
Reclassifications	-1.0	-0.6		
Currency translations	2.1	1.9		
06.30.22	30.0	101.0	-2.7	-4.0

The rules applied with regard to deferred taxes are described in Note 1 paragraph 19 of the "Accounting methods and principles in IFRS standards."

2 - FURTHER INFORMATION

2.1 - VARIATIONS IMPACTING RESE

In millions of euros	Deferred taxes assets	Deferred taxes liabilities	Net deferred taxes
FISCAL YEAR 21-22			
Hedges	-	0.8	-0.8
Restatement of pension commitments - IAS 19R	-0.2	2.0	-2.2
Restatement for hyperinflation	-0.3	0.2	-0.5
First application of IFRIC ⁽¹⁾	-0.3	0.3	-0.6
Variations in scope and miscellaneous	0.3	0.2	0.1
Total	-0.5	3.5	-4.0
FISCAL YEAR 20-21			
Hedges	-	0.3	-0.3
Restatement of pension commitments - IAS 19R	-4.5	0.1	-4.6
Restatement of bonds redeemable as shares (ORA)	0.5	-	0.5
Variations in scope and miscellaneous	-0.4	0.3	-0.7
Total	-4.4	0.7	-5.1

(1) First application of the IFRIC IC interpretation in April 2021 concerning the attribution of post-employment benefits to periods of service.

2.2 - DETAILS OF DEFERRED TAX ASSETS AND LIABILITIES RECORDED IN THE FRENCH TAX GROUP

In millions of euros	06.30.22	06.30.21
Amortization and provisions	3.6	3.6
Activation of development costs - net of amortization	-68.5	-67.4
Regulated provisions	-0.8	-0.9
Provision for employee benefits	4.8	5.8
Valuation difference	-26.0	-26.0
Financial instruments	-0.1	0.5
Margins on intra-group inventories	1.0	2.7
Activated tax losses carried forward	18.1	18.2
Others	0.5	0.5
Total	-67.4	-63.0

NOTE 27: OTHER CURRENT PROVISIONS

1 - EVOLUTION OF BOOK VALUES

In millions of euros	06.30.22	06.30.21
Commercial litigation	3.4	4.9
Other risks and litigation	5.0	5.6
Provision for currency exchange risk	4.8	5.6
Reorganization costs	0.6	0.7
Total	13.8	16.8
Variation for the fiscal year	-3.0	-1.5

The rules applied with regard to setting up provisions are described in Note 1 paragraph 17 of the "Accounting methods and principles in IFRS standards."

2 - FURTHER INFORMATION

Variations for the fiscal year include the following items:

In millions of euros		
FISCAL YEAR 21-22		
Variations in scope	-	
Variations in provisions	-3.4	
- provisions for the fiscal year	10.1	
- write-back used	-11.5	
- write-back not used	-2.0	
Reclassifications	0.1	
Currency fluctuations	0.3	
Total	-3.0	
FISCAL YEAR 20-21		
Variations in scope	-	
Variations in provisions	-1.4	
- provisions for the fiscal year	13.9	
- write-back used	-14.3	
- write-back not used	-1.0	
Reclassifications	-0.1	
Currency fluctuations	-	
Total	-1.5	

NOTE 28: CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

1 - COMPOSITION OF THE FINANCIAL LIABILITIES

1.1 - NON-CURRENT FINANCIAL LIABILITIES

In millions of euros	06.30.22	06.30.21
Debt component of the ORA bonds ⁽¹⁾	2.9	3.1
Bank loans	269.5	188.3
Bond loans	550.0	500.0
Minority redemption commitments	-	-
Derivatives ⁽²⁾	-2.4	-
Other financial liabilities	268.3	303.4
Total	1,088.3	994.8
Variation for the fiscal year	93.5	

(1) Cf. Note 24.

(2) Cf. Note 32.

1.2 - CURRENT FINANCIAL LIABILITIES

In millions of euros	06.30.22	06.30.21
Debt component of the ORA bonds ⁽¹⁾	0.3	0.3
Bank loans	90.3	145.6
Bond loans	-	-
Derivatives ⁽²⁾	0.2	0.7
Current accounts	3.4	6.7
Accrued interest	3.9	3.3
Other financial liabilities	36.0	0.7
Total	134.1	157.3
Variation for the fiscal year	-23.2	

(1) Cf. Note 24.

(2) Cf. Note 32.

1.3 - NET FINANCIAL INDEBTEDNESS

Financial indebtedness, net of cash and cash equivalents, evolved as follows:

In millions of euros	06.30.22	06.30.21
Non-current financial liabilities	1,088.3	994.8
Current financial liabilities	134.1	157.3
Cash and cash equivalents (cf. Note 22)	-321.3	-280.5
Other non-current financial assets (cf. Note 18)	-	-4.2
Net financial liabilities	901.1	867.4
Variation for the fiscal year	33.7	

The rules applied for recording financial liabilities are described in Note 1 paragraphs 21.2, 21.3, 21.4 and 23 of the "Accounting methods and principles in IFRS standards."

2 - FURTHER INFORMATION

2.1 - ANALYSIS OF THE EVOLUTION OF THE FINANCIAL LIABILITIES

2.1.1 - The main variations in financial indebtedness were as follows:

In millions of euros	Non-current financial liabilities	Current financial liabilities	Total
07.01.20	600.0	572.9	1,172.9
Increase	587.4	-	587.4
Decrease	-89.6	-515.0	-604.6
Variations in scope	-	2.6	2.6
Currency translations	-6.2	-2.2	-8.4
Reclassifications	-97.9	98.0	0.1
Restatement of the ORA bonds ⁽¹⁾	3.1	0.3	3.4
Restatement of derivatives	-2.0	0.7	-1.3
Minority redemption commitment	-	-	-
06.30.21	994.8	157.3	1,152.1
Increase	134.9	-	134.9
Decrease	-0.8	-74.2	-75.0
Variations in scope	-	-	-
Currency translations	9.0	7.0	16.0
Reclassifications	-47.0	44.5	-2.5
Restatement of the ORA bonds ⁽¹⁾	-0.2	-	-0.2
Restatement of derivatives	-2.4	-0.5	-2.9
Minority redemption commitment	-	-	-
06.30.22	1,088.3	134.1	1,222.4

(1) Cf. Note 24.

2.1.2 - Information on non-cash variations and on cash movements

In millions of euros	06.30.21	Cash variations		Variations in scope	Non-cash variations			06.30.22
		Increase	Decrease		Currency translations	Reclassifications	Restatements	
Financial instruments	3.1	-	-	-	-	-	-2.6	0.5
Financial liabilities excl. financial instruments	991.7	134.9	-0.8	-	9.0	-48.8	1.8	1,087.8
Total non-current financial liabilities	994.8	134.9	-0.8	-	9.0	-48.8	-0.8	1,088.3
Financial instruments	1.0	-	-	-	-	-	-0.5	0.5
Financial liabilities excl. financial instruments	156.3	-	-75.9	-	7.0	46.3	-0.1	133.6
Total current financial liabilities	157.3	-	-75.9	-	7.0	46.3	-0.6	134.1
Other non-current financial assets	4.2	-	-	-	-	-4.2	-	-
Total financial liabilities net of other non-current assets	1,147.9	134.9	-76.7	-	16.0	1.7	-1.4	1,222.4

2.2 - INFORMATION ON BOND LOANS

These loans have the following characteristics:

Issuer	Vilmorin & Cie	Vilmorin & Cie ⁽²⁾	Vilmorin & Cie ⁽²⁾
Date of issue	March 26, 2021	June 18, 2021	December 17, 2021
Amount involved	450.0 M€	50.0 M€	50.0 M€
Due date (bullet amortization)	March 26, 2028	June 18, 2031	June 18, 2031
Possibility of early redemption	yes	yes	yes
Interest rate	1.375% ⁽¹⁾	1.79%	1.83%

(1) Coupon rate paid out; excluding issue premium.

(2) Vilmorin & Cie: no collateral has been granted. There are covenants based on those of the 2019 syndicated loan.

2.3 - INFORMATION ON BANK LOANS

The main mid- and long-term bank loans have mainly been granted either in the form of standard bank loans or in the form of syndicated loan agreements, by a banking syndicate, but also in the form of *Schuldschein* private placements.

- In May 2019, Vilmorin & Cie signed a syndicated loan agreement for a total of 300 million euros for an initial five-year period, increased in May 2022 to 7 years by exercising the extension clause, and the possibility of an increase to 450 million euros with the prior agreement of the banks. 75 million euros of this credit had been drawn down as of June 30, 2022.
- In June 2021, Vilmorin & Cie made early repayment of 2 *Schuldschein* loans for a total of 68 million euros, bringing the outstanding *Schuldschein* loans down to 302 million euros as of June 30, 2022. In addition, in December 2020 Vilmorin & Cie completed the drawings of 70 million euros on its credit agreement with the European Investment Bank, bringing the total amount used as of June 30, 2022 to 170 million euros.
- Vilmorin USA repaid in May 2022 its 2017 syndicated loan of 120 million US dollars, and set up a new five-year funding agreement of 90 million US dollars. This loan was used up to 90 million US dollars on June 30, 2022.

These different loans involve default clauses concerning the respect of certain ratios tested every year that, in certain conditions, are liable to lead to their being payable earlier than planned.

Their characteristics are as follows:

Original amount of the loan	300 M€	130 M€	100 M€	250 M€	120 MUSD	90 MUSD	170 M€
Company to which the loan was granted	Vilmorin & Cie ⁽¹⁾	Vilmorin & Cie ⁽²⁾	Vilmorin & Cie ⁽³⁾	Vilmorin & Cie ⁽³⁾	Vilmorin USA	Vilmorin USA ⁽⁴⁾	Vilmorin & Cie ⁽⁵⁾
• Outstanding							
06.20.21	-	20.0 M€	100.0 M€	182.0 M€	105.0 MUSD	-	170.0 M€
06.30.22	-	20.0 M€	100.0 M€	182.0 M€	-	90.0 MUSD	170.0 M€
• Rate	Euribor + margin	Fixed and variable	Fixed and variable	Fixed and variable	Libor + margin	Term Sofr + margin	Fixed and variable
• Collateral granted	No	No	No	No	Yes	Yes	No
• Existence of "covenants" ⁽⁶⁾	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(1) Vilmorin & Cie: no collateral has been granted. The authorized and confirmed credit line stands at 300 million euros, and had not been used on June 30, 2022. There are covenants based on Vilmorin & Cie's consolidated financial statements:

- financial debts over EBITDA,
- EBITDA over financial costs.

(2) Vilmorin & Cie: no collateral was granted. The covenants are identical to those of the 2014 syndicated loan agreement.

(3) Vilmorin & Cie: no collateral was granted. The covenants are identical to those of the 2019 syndicated loan agreement.

(4) Vilmorin USA: this loan benefits from collateral granted by Vilmorin & Cie. There is a covenant based on the ratio equity / indebtedness from the figures in the corporate accounts of Vilmorin USA. 90 million US dollars of this credit facility had been used as of end of June, 2022.

(5) Vilmorin & Cie: no collateral was granted. The covenants are based on those of the 2019 syndicated loan agreement.

(6) The above-mentioned covenants were respected for fiscal years 2020-2021 and 2021-2022.

The group has integrated the reform of interest rates, mainly with the impact of the disappearance of the LIBOR index in the financing contracts for Vilmorin USA and Vilmorin & Cie.

- For Vilmorin USA, the syndicated loan was renewed in May 2022 for a total of 90 million US dollars, by substituting the Libor USD with the Term Sofr USD + adjustment spread (CAS), depending on the duration of the drawings; the impact on the cost of this contract is almost zero.
- For Vilmorin & Cie, certain contracts allowing drawing in US dollars have been amended, applying the same approach as for Vilmorin USA, i.e. the substitution of Libor USD by Term Sofr USD + adjustment spread (CAS). On June 30, 2022, no drawings in US dollars had been made on these credit lines.

2.4 - ANALYSIS OF LOANS BY NATURE OF RATES

Analysis of the financial debts by nature of rates before cover is as follows:

In millions of euros	Non-current financial liabilities	Current financial liabilities	Total
06.30.22			
Financial liabilities with fixed rate	869.1	92.5	961.6
Financial liabilities with variable rate	219.3	41.6	260.9
Total	1,088.3	134.1	1,222.4
06.30.21			
Financial liabilities with fixed rate	811.8	33.1	844.9
Financial liabilities with variable rate	183.0	124.2	307.2
Total	994.8	157.3	1,152.1

Taking hedge rates into account, financial liabilities with variable rate were covered up to 210 million euros at the end of June 2022.

NOTE 29: CURRENT AND NON-CURRENT LEASE OBLIGATIONS

1 - COMPOSITION OF THE LEASE OBLIGATIONS

In millions of euros	06.30.22	06.30.21
Non-current lease obligations	63.1	43.0
Current lease obligations	24.3	19.7
Total	87.4	62.7
Variation for the fiscal year	24.7	-3.7

The lease debt previously recorded as financial lease debts is included in lease obligations.

2 - FURTHER INFORMATION

2.1 - THE MAIN VARIATIONS IN LEASE OBLIGATIONS WERE AS FOLLOWS:

In millions of euros	Non-current lease obligations	Current lease obligations	Total
07.01.20	46.2	20.2	66.4
Increase	13.1	-	13.1
Decrease	-0.9	-21.7	-22.6
Variations in scope	-	-	-
Currency translations	0.6	-0.1	0.5
Reclassifications	-16.0	21.3	5.3
06.30.21	43.0	19.7	62.7
Increase	27.8	-	27.8
Decrease	-1.2	-17.5	-18.7
Variations in scope	-	-	-
Currency translations	2.2	0.8	3.0
Reclassifications	-8.7	21.3	12.6
06.30.22	63.1	24.3	87.4

FINANCIAL INFORMATION

6.1. CONSOLIDATED FINANCIAL STATEMENTS

Information on non-cash variations and on cash movements.

In millions of euros	06.30.21	Cash variations		Non-cash variations			06.30.22
		Decrease	Increase	Variations in scope	Currency translations	Reclassifications	
Non-current lease obligations	43.0	-1.2	27.8	-	2.2	-8.7	63.1
Current lease obligations	19.7	-24.6	7.1	-	0.8	21.3	24.3
Total lease obligations	62.7	-25.8	34.9	-	3.0	12.6	87.4

2.2 - MATURITY PROFILE FOR LEASE OBLIGATIONS

In millions of euros	Due dates for payment			Total (balance sheet)
	< 1 year	1 to 5 years	> 5 years	
06.30.21	19.7	32.5	10.5	62.7
06.30.22	24.3	43.4	19.7	87.4

2.3 - ANALYSIS OF THE RESIDUAL LEASE CHARGE

In millions of euros	21-22
Leases excluded	
> Leases of low value – lower than 5,000 EUR	4.1
> Leases of short duration – less than 12 months	4.6
> Variable leases	0.7
> Others (additional services. etc.)	11.4
Total of leases excluded	20.8

2.4 - OTHER INFORMATION

Variable leases, leaseback operations and revenues from sub-leasing contracts are not significant.

Information on right-of-use leased assets is presented in Note 17, on off balance sheet commitments for leases in Note 33, provisions on amortization of rights-of-use in Note 7, and interests on lease obligations in Note 11.

Moreover, the interest rate reform did not have any significant impact on the Group's lease contracts.

NOTE 30: ACCOUNTS PAYABLE

1 - EVOLUTION OF THE BOOK VALUES

In millions of euros	06.30.22	06.30.21
Suppliers and other accounts payable	283.3	243.6
Debts on the acquisition of fixed assets	53.0	61.5
Advance payments received from customers	26.9	21.5
Social security debts	99.3	95.8
Tax debts	24.0	20.5
Other operating debts	81.1	76.1
Other non-operating debts	19.4	8.2
Total	587.0	527.2
Variation for the fiscal year	59.8	14.1

The rules applied for recording accounts payable are described in Note 1 paragraph 20 of the "Accounting methods and principles in IFRS standards."

2 - FURTHER INFORMATION

2.1 - MAIN ITEMS IN THE VARIATION FOR THE FISCAL YEAR

Variation for the fiscal year includes the following main items:

In millions of euros	21-22	20-21
Variations in scope	-	0.8
Other variations	35.4	18.3
Currency translations	24.4	-5.0
Total	59.8	14.1

Almost all the debts for suppliers and accounts payable are due within one year.

The other operating debts mainly include balances to pay to customers concerning the close of operations at the end of the campaign (inventory returns, end of year discount).

2.2 - FACTORING SCHEME FOR SUPPLIERS

The group does not participate in any financing program for accounts payable.

NOTE 31: DEFERRED INCOME

1 - EVOLUTION OF BOOK VALUES

In millions of euros	06.30.22	06.30.21
Total amount	31.0	29.7
Variation for the fiscal year	1.3	0.4

The rules applicable are described in Note 1 paragraph 18 of the "Accounting methods and principles in IFRS standards."

This line concerns almost exclusively investment and operating subsidies.

2 - FURTHER INFORMATION

Movements for the fiscal year involve the following items:

In millions of euros	21-22	20-21
Subsidies written back into the income	-0.1	-0.1
Restatement of tax relief for research for the fiscal year	1.5	0.2
Variations in scope	-	-
Others	-0.1	0.3
Total	1.3	0.4

NOTE 32: FINANCIAL INSTRUMENTS

1 - FINANCIAL INSTRUMENTS BY CATEGORY

1.1 - ANALYSIS BY CATEGORY OF INSTRUMENT

1.1.1 - On June 30, 2022

In millions of euros	Assets at fair value through OCI	Assets at fair value through income	Assets at amortized cost	Liabilities at amortized cost	Fair value of hedging derivatives	Total
Financial assets evaluated at their fair value						
Financial assets	7.0	-	-	-	-	7.0
Derivatives– assets	-	-	-	-	2.4	2.4
Cash and cash equivalents	-	28.3	-	-	-	28.3
Financial assets not evaluated at their fair value						
Financial assets	-	-	14.4	-	-	14.4
Customers and other receivables	-	-	538.6	-	-	538.6
Cash and cash equivalents	-	-	293.0	-	-	293.0
Financial assets on 06.30.22	7.0	28.3	846.0	-	2.4	883.7
Financial liabilities evaluated at their fair value						
Financial liabilities	-	-	-	-	-	-
Derivatives – liabilities	-	-	-	-	0.2	0.2
Financial liabilities not evaluated at their fair value						
Financial liabilities	-	-	-	1,224.6	-	1,224.6
Suppliers and other payables	-	-	-	587.0	-	587.0
Financial liabilities on 06.30.22	-	-	-	1,811.6	0.2	1,811.8

1.1.2 - On June 30, 2021

In millions of euros	Assets at fair value through OCI	Assets at fair value through income	Assets at amortized cost	Liabilities at amortized cost	Fair value of hedging derivatives	Total
Financial assets evaluated at their fair value						
Financial assets	5.8	-	-	-	-	5.8
Derivatives– assets	-	-	-	-	-	-
Cash and cash equivalents	-	19.2	-	-	-	19.2
Financial assets not evaluated at their fair value						
Financial assets	-	-	18.8	-	-	18.8
Customers and other receivables	-	-	488.0	-	-	488.0
Cash and cash equivalents	-	-	261.3	-	-	261.3
Financial assets on 06.30.21	5.8	19.2	768.1	-	-	793.1
Financial liabilities evaluated at their fair value						
Financial liabilities	-	-	-	-	-	-
Derivatives – liabilities	-	-	-	-	0.7	0.7
Financial liabilities not evaluated at their fair value						
Financial liabilities	-	-	-	1,151.4	-	1,151.4
Suppliers and other payables	-	-	-	527.2	-	527.2
Financial liabilities on 06.30.21	-	-	-	1,678.6	0.7	1,679.3

1.2 - ANALYSIS BY LEVEL OF THE FAIR VALUE HIERARCHY

The table below shows the level of fair value of the financial assets and liabilities, with the exception of financial assets and liabilities not evaluated at their fair value, excluding financial liabilities, and whose book value is close to the fair value.

1.2.1 - On June 30, 2022

In millions of euros (fair value)	Level 1	Level 2	Level 3	Total
Financial assets evaluated at their fair value				
Financial assets	1.5	-	5.5	7.0
Derivatives – assets	-	2.4	-	2.4
Cash and cash equivalents	28.3	-	-	28.3
Financial liabilities evaluated at their fair value				
Financial liabilities	-	-	-	-
Derivatives – liabilities	-	0.2	-	0.2
Financial liabilities not evaluated at their fair value				
Financial liabilities	-	1,288.5	-	1,288.5

1.2.2 - On June 30, 2021

In millions of euros (fair value)	Level 1	Level 2	Level 3	Total
Financial assets evaluated at their fair value				
Financial assets	-	-	5.8	5.8
Derivatives - assets	-	-	-	-
Cash and cash equivalents	19.2	-	-	19.2
Financial liabilities evaluated at their fair value				
Financial liabilities	-	-	-	-
Derivatives - liabilities	-	0.7	-	0.7
Financial liabilities not evaluated at their fair value				
Financial liabilities	-	1,136.8	-	1,136.8

2 - MANAGEMENT OF FINANCIAL RISKS

Vilmorin & Cie has set up a dedicated organization based on financial risk management policies that have been approved by the Executive Committee, with centralized management of risks to which it is exposed regarding currency exchange, commodities, interest rates and cash.

On June 30, 2022, the derived financial instruments set up by Vilmorin & Cie to manage its risks can be analyzed as follows:

2.1 - INFORMATION REGARDING CURRENCY EXCHANGE RISKS

2.1.1 - Objectives

Vilmorin & Cie manages its currency positions with the objective of hedging the risks of fluctuation of relative parities, mainly in relation to its industrial and commercial operations. Indeed, Vilmorin & Cie sets up forward contracts exclusively in order to hedge currency exchange risks linked to forecasted flows.

For this purpose, a procedure to manage currency exchange risks collectively has been set up in Vilmorin & Cie. This position mainly consists in taking out contracts with a fixed term.

FINANCIAL INFORMATION

6.1. CONSOLIDATED FINANCIAL STATEMENTS

2.1.2 - Assets and liabilities analyzed according to the main foreign currencies

In millions of euros	Euro zone	US dollar	Canadian dollar	GB pound	Australian dollar	Yen	Shekel	Turkish lira	Other currencies	Total
06.30.22										
Assets ⁽¹⁾	1,149.8	511.4	22.5	47.2	38.5	43.2	116.1	54.9	490.3	2,473.9
Liabilities ⁽¹⁾	1,403.3	153.4	0.7	14.9	2.3	17.9	60.8	14.6	228.9	1,896.8
Differential	-253.5	358.0	21.8	32.3	36.2	25.3	55.3	40.3	261.4	577.1
06.30.21										
Assets ⁽¹⁾	1,086.4	466.4	20.5	44.1	34.0	46.0	107.6	59.7	414.1	2,278.8
Liabilities ⁽¹⁾	1,343.6	147.8	0.3	11.0	2.3	18.8	49.7	8.5	160.0	1,742.0
Differential	-257.2	318.6	20.2	33.1	31.7	27.2	57.9	51.2	254.1	536.8

(1) This concerns all items on the balance sheet that are exposed to foreign currency risks, except goodwill, inventories, deferred taxes, reserves, provisions, and charges and deferred income.

2.1.3 - Information on the nominal value of instruments set up to hedge currency exchange

In millions of euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.22				
Forward exchange contracts	57.0	57.0	-	-
Exchange options	-	-	-	-
Total	57.0	57.0	-	-
06.30.21				
Forward exchange contracts	64.3	64.3	-	-
Exchange options	-	-	-	-
Total	64.3	64.3	-	-

2.1.4 - Information on the value of instruments set up to hedge currency exchange

In millions of euros	Total
06.30.22	
Contracts on commercial transactions	
> <i>Cash flow hedge</i> ⁽¹⁾	1.2
Contracts on financial transactions	
> <i>Fair value hedge</i>	NS
06.30.21	
Contracts on commercial transactions	
> <i>Cash flow hedge</i> ⁽²⁾	-
Contracts on financial transactions	
> <i>Fair value hedge</i>	NS

(1) Market value of the contracts at the end of June 2022. The impact of the fair value of these currency hedging instruments is recognized in the provision for currency risk.

(2) The intrinsic value of contracts at the end of June 2021 was not significant (NS).

2.1.5 - Information on risk exposure to instruments set up to hedge currency exchange

Vilmorin & Cie's net exposure for notional amounts mainly concerns the following currencies (excluding entities' functional currencies):

In millions for each currency	US dollar	GB pound	Australian dollar	New Zealand dollar	Canadian dollar	Yen	South African rand
Net position before management	36.2	2.9	4.4	0.7	0.1	-220.7	30.4
Forward purchasing/selling	-33.1	-2.2	-5.9	-	-	139.6	-40.1
Net position after management	3.1	0.7	-1.5	0.7	0.1	-81.1	-9.7

In millions for each currency	Turkish lira	Hungarian forint	Polish zloty	Russian ruble	Chinese renminbi yuan	Czech crown	Israeli shekel
Net position before management	201.1	924.9	59.1	69.1	27.1	154.8	-109.9
Forward purchasing/selling	-60.5	-214.6	-	-	-	-71.4	20.8
Net position after management	140.6	710.3	59.1	69.1	27.1	83.4	-89.1

On June 30, 2022, exchange rates for one euro were: 1.0387 US dollar, 0.85820 GB pound, 1.5099 Australian dollar, 1.7026 New Zealand dollar, 1.3425 Canadian dollar, 141.54 yen, 17.0143 South African rand, 17.322 Turkish lira, 397.04 Hungarian forint, 4.6904 Polish zloty, 57.2385 Russian ruble, 6.9624 Chinese renminbi yuan, 24.739 Czech crown and 3.6392 Israeli shekel.

On June 30, 2022, sensitivity on net positions after management was analyzed as follow:

In millions of currency	US dollar	GB pound	Australian dollar	New Zealand dollar	Canadian dollar	Yen	South African rand
Hypothesis of euro variation against the currency (as a %)	-10%	-10%	-10%	-10%	-10%	-10%	-10%
Impact on income	0.3	0.1	-0.1	-	-	-0.1	-0.1
Hypothesis of euro variation against the currency (as a %)	10%	10%	10%	10%	10%	10%	10%
Impact on income	-0.3	-0.1	0.1	-	-	0.1	0.1

In millions of currency	Turkish lira	Hungarian forint	Polish zloty	Russian ruble	Chinese renminbi yuan	Czech crown	Israeli shekel
Hypothesis of euro variation against the currency (as a %)	-10%	-10%	-10%	-10%	-10%	-10%	-10%
Impact on income	0.9	0.2	1.4	0.1	0.4	0.4	-2.7
Hypothesis of euro variation against the currency (as a %)	10%	10%	10%	10%	10%	10%	10%
Impact on income	-0.8	-0.2	-1.1	-0.1	-0.4	-0.3	1.2

A drop of 10% in the euro rate against other currencies would have a positive impact of 1 million euros on the financial income. An increase of 10% in the euro rate against other currencies would have a negative impact 0.8 million euros on the financial income.

2.2 - INFORMATION CONCERNING INTEREST RATE RISKS

2.2.1 - Objectives

Interest rate risks are mainly managed at the level of Vilmorin & Cie which (apart from specific cases or regulatory constraints) centralizes the current, stable cash flow requirements or surpluses of the subsidiaries, and sets up centralized external funding facilities as necessary.

2.2.2 - Assets and liabilities subject to interest rate risks

In millions of euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.22				
Assets	16.8	16.8	-	-
Liabilities	1,222.4	134.1	481.9	604.4
Differential	-1,205.6	-117.3	-481.9	-604.4
06.30.21				
Assets	20.4	18.2	0.3	1.9
Liabilities	1,152.1	157.3	340.2	654.6
Differential	-1,131.7	-139.1	-339.9	-652.7

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2.2.3 - Information on the nominal value of instruments to hedge interest rates

In order to manage the interest rate risks of its financial debts, Vilmorin & Cie uses derived instruments for which the notional outstanding sums are as follows:

In millions of euros	Nominal	Due dates					Market value
		2023	2024	2025	2026	> 2026	
Cash flow hedge transactions	210.0			210.0			2.2
Interest rate swap	210.0			210.0			2.2
Transactions at fair value	-	-	-	-	-	-	
through profit or loss							-
Interest rate swap	210.0	-	-	210.0	-	-	2.2

Contractual cash flows associated with interest rate swap are paid at the same time as the contractual cash flows for loans with variable rates. The deferred amount in equity concerning hedge instruments is recognized in the income statement for the period where the interest cash flow for the debt has an impact on the income.

The inefficient part of hedge instruments was not significant on June 30, 2022.

2.2.4 - Information on exposure to interest rates risks

On the basis of net financial indebtedness on June 30, 2022, a variation of $\pm 1\%$ in interest rates after forward cover instruments would represent an extra financial charge or income limited to 2.2 million euros.

2.3 - INFORMATION CONCERNING RISKS FOR COMMODITIES

Commodity risk hedging policies are in place mainly in North America and Brazil and are designed to limit the impact of price variations on consolidated net income.

The financial derivatives set up by Vilmorin & Cie are future contracts on soybean and/or corn seeds.

2.4 - INFORMATION CONCERNING RISKS FOR SHARES AND TREASURY SHARES

Listed shares held by Vilmorin & Cie are subject to the risk of volatility characteristic of financial markets.

Apart from consolidated securities, they can be divided up into three categories:

- securities in companies consolidated using the equity method: these concern for the most part the group Seed Co Limited (Zimbabwe), the group Seed Co International (Botswana), the company Australian Grain Technologies (AGT) (Australia), the company Keygene Holding (Netherlands), the company Hengji Limagrain (China) and the company Canterra Seeds (Canada) (cf. Note 19),
- shares that are included in the portfolio "Unconsolidated securities" (cf. Note 18),
- other non-current financial assets.

The risk concerning shares included in the portfolio "Unconsolidated securities" is mainly represented by a line of listed shares.

There is a liquidity contract for Vilmorin & Cie treasury shares. On June 30, 2022, Vilmorin & Cie held 8,075 shares with a book value of 0.4 million euros.

2.5 - INFORMATION CONCERNING LIQUIDITY RISKS

Vilmorin & Cie's Corporate Finance department manages liquidity risks by making short- or long-term funding available to subsidiaries as required.

Optimization of liquidity is based on centralized management of Vilmorin & Cie's subsidiaries' cash surpluses and requirements.

These operations are handled by Vilmorin & Cie's Corporate Finance department mainly using cash-pooling conventions and intragroup loans on condition that this is authorized by local legislation.

External funding is also set up centrally by the Corporate Finance department in order to optimize the cost of funding and access to the public and private banking market.

On June 30, 2022, the main resources implemented by Vilmorin & Cie comprised:

- a public bond loan of 450 million euros maturing in March 2028.
- a US PP private placement of 100 million euros maturing in June 2031
- three mid-term *Schuldschein* loans for the amount respectively of:
 - 20 million euros, set up by Vilmorin & Cie in March 2013, maturing in March 2023,
 - 100 million euros set up on March 31, 2017, of which 15 million euros matured in July 2022, 50 million euros mature in March 2024, and 35 million euros in March 2027,
 - and 182 million euros set up in June 2019, of which 138 million euros mature in June 2024, 28 million euros in June 2026, and 16 million euros in June 2029.
- a syndicated loan agreement of 300 million euros set up for Vilmorin & Cie, maturing in May 2026, and which was not used on June 30, 2022.
- Mid-term funding of 170 million euros subscribed with the European Investment Bank in December 2019, of which 40 million euros mature in December 2027, 60 million euros in May 2027, 30 million euros in December 2025 and 40 million euros in May 2025, of which 170 million euros was used at June 30, 2022.

- Vilmorin USA benefits from a syndicated loan agreement for a total of 90 million US dollars, maturing in May 2027.

At June 30, 2022, the financial covenants governing the bank loans were respected.

The schedule for financial liabilities is as follows:

In millions of euros	Due dates			Total
	< 1 year	1 to 5 years	> 5 years	
06.30.22				
Non-current financial liabilities				
> Debt components of the ORA bonds		1.5	1.4	2.9
> Bank loans		230.7	38.8	269.5
> Bond loans		-	550.0	550.0
> Commitments to purchase minority shares		-	-	-
> Derivatives		-2.4	-	-2.4
> Other financial liabilities		252.1	16.2	268.3
Total non-current financial liabilities		481.9	606.4	1,088.3
Current financial liabilities	134.1			134.1
Total	134.1	481.9	606.4	1,222.4
Future interest on loans and other liabilities	14.2	44.7	12.5	71.4
06.30.21				
Non-current financial liabilities				
> Debt components of the ORA bonds		1.6	1.5	3.1
> Bank loans		86.5	101.8	188.3
> Bond loans		-	500.0	500.0
> Commitments to purchase minority shares		-	-	-
> Derivatives		-	-	-
> Other financial liabilities		252.1	51.3	303.4
Total non-current financial liabilities		340.2	654.6	994.8
Current financial liabilities	157.3			157.3
Total	157.3	340.2	654.6	1,152.1
Future interest on loans and other liabilities	13.2	44.6	17.8	75.6

2.6 - INFORMATION CONCERNING CREDIT RISKS

In order to prevent any problems recovering debts from its customers, Vilmorin & Cie has set up individual credit limits which are regularly updated depending both on the financial situation of each customer, along with the customer's track record with regard to payment.

Finally, through certain subsidiaries, Vilmorin & Cie has taken out an insurance policy to cover customer credit risks. On June 30, 2022, Vilmorin & Cie had not identified any significant risk.

At close, the chronological breakdown of customer receivables was as follows:

In millions of euros	06.30.22	06.30.21
Receivables not yet due	287.3	268.2
Receivables due:		
> delay of 0 to 3 months	62.0	54.2
> delay of 3 to 6 months	14.1	11.2
> delay of 6 to 12 months	9.8	7.3
> greater than 1 year	25.1	24.8
Gross customers and other receivables	398.3	365.7

NOTE 33: OFF BALANCE SHEET COMMITMENTS

For its current operations, Vilmorin & Cie had made commitments at the close of the fiscal period for the following amounts:

1 - GUARANTEES RECEIVED

In millions of euros	06.30.22	06.30.21
Endorsements, sureties, guarantees	100.9	118.1
Other commitments	0.6	0.9
Total	101.5	119.0

2 - GUARANTEES GIVEN

In millions of euros	06.30.22	06.30.21
Endorsements, sureties, guarantees	0.2	1.1
Other commitments	16.9	8.5
Total	17.1	9.6

3 - RECIPROCAL COMMITMENTS

In millions of euros	Nominal	Due dates		
		< 1 year	1 to 5 years	> 5 years
06.30.22				
Lease agreements ⁽¹⁾	10.6	5.4	2.8	2.4
Forward purchase of currency (cf. Note 32)	57.0	57.0	-	-
Forward interest rate cover (cf. Note 32)	400.0	-	400.0	-
Interest to pay on mid- and long-term debts	71.4	14.2	44.7	12.5
Mid- and long-term research contracts	-	-	-	-
Other commitments	23.2	8.1	15.1	-
Total	562.2	84.7	462.6	14.9
06.30.21				
Lease agreements ⁽¹⁾	8.3	4.9	1.9	1.5
Forward purchase of currency (cf. Note 32)	64.3	64.3	0	0
Forward interest rate cover (cf. Note 32)	67.3	67.3	0	0
Interest to pay on mid- and long-term debts	75.6	13.2	44.6	17.8
Mid- and long-term research contracts	0	0	0	0
Other commitments	23.7	9.3	14.4	0
Total	239.2	159	60.9	19.3

(1) Lease agreements over a short period of time, of low value or not yet begun.

Forward cover of interest rates concerns the following operations:

3.1 - ON JUNE 30, 2022

Mid-term bank loans (and other amounts)	210.0 M€	Fixed and semi-fixed rate over variable rate at 3 months
Bonds redeemable as shares (ORA)	-	Fixed rate over variable rate at 6 months
Short-term loan	-	Fixed and semi-fixed rate over variable rate at 3 months

3.2 - ON JUNE 30, 2021

Mid-term bank loans (and other amounts)	67.7 M€	Fixed and semi-fixed rate over variable rate at 3 months
Bonds redeemable as shares (ORA)	-	Fixed rate over variable rate at 6 months
Short-term loan	-	Fixed and semi-fixed rate over variable rate at 3 months

4 - DEBTS WITH REAL SURETIES

In millions of euros	Debts guaranteed	Total amount of sureties granted	Book value of the assets provided as a guarantee
06.30.21 ⁽¹⁾	4.0	1.7	1.3
06.30.22⁽¹⁾	3.5	1.8	1.4

(1) Concerns various collateral on industrial equipment and mortgages to guarantee mid-term debts on Brazilian businesses.

5 - OTHER COMMITMENTS

In order to ensure a good supply for its procurement and control over inventory levels for future fiscal years, Vilmorin & Cie sets up purchasing or production contracts for seeds from grower networks.

Within the context of its operations to dispose of the companies Flora Frey and Carl Sperling, sold on June 30, 2008, and then Suttons on June 30, 2015, provisions were set up as a result of the commitments made for these disposals. These provisions were fully written back as of June 30, 2022.

NOTE 34: TRANSACTIONS WITH RELATED PARTIES

1 - ASSOCIATED COMPANIES

These are companies in which Vilmorin & Cie exerts significant influence and which are consolidated using the equity method.

Transactions with associated companies are carried out on the basis of market prices.

The liabilities and receivables with regard to companies consolidated using the equity method are not significant. The main figures for companies consolidated using the equity method are provided in Note 19.

2 - RELATED PARTIES WITH A SIGNIFICANT INFLUENCE ON VILMORIN & CIE

Vilmorin & Cie is held by its majority shareholder Limagrain. The economic relationships developed with the companies in this Group for the fiscal year are summarized in the table below:

2.1 - RECEIVABLES AND LIABILITIES ON JUNE 30, 2022

In millions of euros	Assets	Liabilities
Operating liabilities and receivables	1.5	44.3
Financial liabilities and receivables	-	-
Total	1.5	44.3

2.2 - CHARGES AND INCOME FOR FISCAL YEAR 2021-2022

In millions of euros	Charges	Income
Purchases and sales of goods	-105.6	4.5
Intra-group services	-9.4	6.7
Other operating charges and income	-25.2	3.6
Financial charges and income	-	0.3
Total	-140.2	15.1

3 - REMUNERATIONS OF THE TOP EXECUTIVES

In millions of euros	06.30.22	06.30.21
Global amount of remunerations and benefits paid to the Executive Committee:		
> Short-term benefits	1.5	1.5
> Benefits paid out after employment	-	-
> Other long-term benefits	-	-
> Severance pay	0.6	-
> Payment through shares	-	-
> Attendance fees paid to the Executive Committee	-	-

The Executive Committee comprised five members during fiscal year 2021-2022, as in 2020-2021.

On average, the contractual benefits due when the mandate of a Top Executive is terminated correspond to two years of total remuneration.

BENEFITS PAID OUT AFTER EMPLOYMENT IN FAVOR OF MEMBERS OF THE EXECUTIVE COMMITTEE

The total amount of benefits funded for lump sum retirement benefits for the Executive Committee stood at 0.5 million euros on June 30, 2022, including employer's welfare contributions.

This commitment is assessed by actuaries in order to determine the amount of provisions for lump sum retirement benefits.

Provisions for the lump sum retirement benefits of the Executive Committee are included in the provisions for lump sums paid at retirement set out in Note 25.

4 - FURTHER INFORMATION

4.1 - LIMAGRAIN INTRA-GROUP SERVICES

Intra-group services are invoiced by Groupe Limagrain Holding to the subsidiaries of Vilmorin & Cie and to the subsidiaries of Limagrain on a proportional basis of budgeted expenses. The amount invoiced came to 9.2 million euros.

In order to invoice intra-group services, the nature of the services provided are accounted for using four keys:

- an "activity" key (revenue from ordinary activities and margin on cost of sales),
- an "information systems" key (number of licenses),
- a "research" key (research & development costs),
- a "human resources" key (payroll).

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4.2 - VILMORIN & CIE INTRA-GROUP SERVICES

In the same way, Vilmorin & Cie invoices intra-group services to all its subsidiaries and to the subsidiaries of Limagrain according to the same criteria as the Limagrain intra-group services mentioned above. The total invoiced came to 52.2 million euros.

4.3 - ALLOCATION OF THE SEED RESEARCH PROGRAM COSTS

Moreover, Vilmorin & Cie also invoices for services of a scientific nature for the seed companies in the Vilmorin & Cie group (Field Seeds and Vegetable Seeds divisions) that work on the professional market. The aggregate amount invoiced to the subsidiaries came to 19.1 million euros. The criteria applied homogeneously throughout Vilmorin & Cie to calculate these allocations for services of a scientific nature take into account research & development costs.

4.4 - CASH FLOW AGREEMENTS AND POOLING OF EXCHANGE RISKS

Companies have signed agreements with Vilmorin & Cie in order to optimize the management of their cash flow under conditions that provide lenders with a financial margin of 0.20% over the average monthly EONIA rate.

Moreover, Vilmorin & Cie centralizes its foreign currency risk hedges for its subsidiaries. The main currencies hedged are the US dollar, the GB pound, the yen and the Australian dollar (cf. Note 32 paragraph 2.1).

4.5 - OTHER OPERATIONS

Other operations correspond to current commercial transactions made on the basis of market prices.

NOTE 35: CONTINGENT LIABILITIES

As they run their businesses, Vilmorin & Cie's operating companies are exposed to claims on the products they have sold, and such claims are generally covered by their insurance policies.

NOTE 36: EVENTS OCCURRING AFTER THE CLOSING OF THE ACCOUNTS

No event has occurred after the closing of the accounts.

APPENDIX 1: CONSOLIDATION SCOPE ON JUNE 30, 2022

Commercial companies (consolidated) of very low significance are not included in the list below for reasons of confidentiality.

Name	Country	Head Office	% Voting rights	% Interest	Consolidation method	
VEGETABLE SEEDS						
Keygene Holding BV	Netherlands	Agro Business Park 90 3808 PW Wageningen	24.95	24.95	EM	
Limagrain (Beijing) Agricultural Technical Service Co Ltd	China	Room 1102, N°44 Building, Block 2 Of Tiantongzhongyuan Changping District 102218, Beijing Beijing	100.00	100.00	IG	
1 - HM.CLAUSE						
HM.CLAUSE ARGENTINA S.A.	Argentina	Pavon 1478 - Capital Federal CP 1151 Buenos Aires	100.00	100.00	GI	
Clause Maghreb EURL	Algeria	Coopérative El Amel 2, Villa N°130, Lotissement n°15 (Rez-de-Chaussée) 16063 Zéralda Alger	100.00	99.98	GI	
HM.CLAUSE S.A.S	France	Rue Louis Saillant – ZI La Motte 26800 Portes-lès-Valence	435 480 546	99.98	99.98	GI
HM.CLAUSE (Thailand) Co, Ltd	Thailand	1126/2 Vanit Building II 27 th Floor Room Nos. 2701,2704 New Petchaburi Road, Makkasan, Ratchathewi 10400 Bangkok	100.00	99.98	GI	
HM.CLAUSE Brasil Comercio de Sementes Ltda	Brazil	Rue Guapuruvu, 177 - Térreo Condominio Alphaville Empresarial CEP 13098-322 Campinas Sao Paulo	100.00	99.98	GI	
HM.CLAUSE Chile S.A.	Chile	Boulevard Aeropuerto Sur 9632, Oficina 1 Parque Industrial Enea/Pudahuel Santiago	100.00	100.00	GI	
HM.CLAUSE Guatemala. S.A.	Guatemala	Condominio Empresarial Cortijo III Bodega 913, 20 Calle 25-55 Zona 12, Guatemala City	100.00	99.98	GI	
HM.CLAUSE Iberica, SA	Spain	Paraje La Reserva s/n Apdo Correos n°17 La Mojonera Almeria 04745	100.00	99.98	GI	
HM.CLAUSE, Inc.	United States	260 Cousteau Place Suite 210 95618 Davis (Californie)	100.00	100.00	GI	
HM.CLAUSE India Private Limited	India	6-98/4 Sy No. 563/Part, Gowdavelli Village Medchal Mandal, Ranga Reddy District 501401 Telangana State Hyderabad	100.00	99.98	GI	
HM.CLAUSE Italia S.P.A.	Italy	Via Emilia 11 – 10078 Venaria Real (Torino)	100.00	99.98	GI	
HM.CLAUSE Kenya Limited	Kenya	Land Reference No. 6338/7, Turaco Farm, PO Box 854 10400 Nanyuki	100.00	99.98	GI	
HM.CLAUSE Mexico, S.A. de C.V.	Mexico	Ave. Manuel Gomez Morin 3881 3 ^{er} piso Col. Centro Sur 76090 Queretaro	100.00	100.00	GI	
HM.CLAUSE Pacific PTY. LTD.	Australia	165, Templestowe Road - Templestowe Lower – VIC 3107	100.00	99.98	GI	
HM.CLAUSE Peru S.A.C.	Peru	Fundo Santa Rosa S/N Distrito La Tinguña Ica	100.00	100.00	GI	
HM.CLAUSE Tohumculuk Tarim Sanayi ve Ticaret Anonim Sirketi	Turkey	Tarim Mah. Aspendos Bulvari No: 106/B Kurt İşhanı, Muratpaşa 07200 Antalya	100.00	99.98	GI	
Prime Seed Co (Private) Limited	Zimbabwe	1 st Floor, S.A.Z. Building, Northend Park, Borrowdale - Harare	49.00	49.00	EM	

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Name	Country	Head Office	% Voting rights	% Interest	Consolidation method
Prime Seed Co International (Proprietary) Limited	Botswana	Plot 42800 Phakalane P.O.Box 47143 Phakalane Gaborone	49.00	49.00	EM
HM.CLAUSE Vietnam Limited Liability Company	Vietnam	Agriculture High-Tech Park of Ho Chi Minh City, Pham Van Coi Ward, Cu Chi District, Ho Chi Minh City	100.00	99.98	GI
2 - HAZERA					
Hazera Qiming Seeds (Beijing) Co. Ltd.	China	Room 601-602, Tower D, Java Millenium Place No, 18 Jianguomenwai Dajie, Chaoyang District 100022 - Beijing	60.02	60.02	EM
Hazera España 90 SA	Spain	Paseo de la Castellana 259 B 28046 Madrid	100.00	100.00	GI
Hazera Holding International BV	Netherlands	Koningslaan, 34 1075AD Amsterdam - Pays-Bas	100.00	100.00	GI
Hazera Poland SP.Z.o.o.	Poland	Ul. Marywilska 34 I 03-228 - Warszawa	100.00	100.00	GI
Hazera Seeds BV	Netherlands	Schanseind 27 4921 Pm Made	100.00	100.00	GI
Hazera Seeds Ltd	Israel	Brurim MP Shikmim 79837 Shikmim	100.00	100.00	GI
Hazera Seeds Germany GmbH	Germany	2 Am Griewenkamp D31234 Edemissen	100.00	100.00	GI
Hazera Seeds Hellas Commercial SA	Greece	64 Lisikratous str. & Kekropos, Municipality of Kallithea 17674 Athens	100.00	100.00	GI
Hazera Seeds Mexico SA	Mexico	Montecito 38, Piso 23, Oficina 15 Napoles Distrito Federal - 03810 Mexico	100.00	100.00	GI
Hazera Seeds SA Ltd	South Africa	Unit 7 - Honeydew Business Park 1503 Citrus Street - 0181 Honeydew 2170	100.00	100.00	GI
Hazera Seeds Uk Ltd	United Kingdom	Joseph Nickerson Research Centre Market Rasen LN7 6DT Rothwell Lincolnshire	100.00	100.00	GI
Hazera Seeds USA Inc	United States	32 Loockerman Sq, Suite L 100 Dover - Delaware	100.00	100.00	GI
Hazera Tohumculuk Ve Ticaret AS (SA)	Turkey	Altinova Sinan Mah. Ulu Sokak B.Blok No:3 D:27 Kepez Antalya	100.00	100.00	GI
Hazera Ukraine LLC	Ukraine	Office # 101 - Strategichne shose 16 Str 03680 - Kiev	100.00	100.00	GI
3 - VILMORIN-MIKADO					
AdvanSeed APS	Denmark	Grønvej 93 Volderslev 5260 Odense S	100.00	99.98	GI
Vilmorin Mikado Tohumculuk Anonim Sirketi	Turkey	Güzelyali. Bati Sahili, Ciftlik Sok. No.9 Pendik Istanbul 34903	100.00	99.98	GI
Carthage Génétique	Tunisia	Zone Industrielle El Afrane 1009 - El Ouardia -Tunis	50.00	49.99	EM
Dalian Mikado International Seed Co	China	Liaoning Province, Dalian, Xigang District, Heyi Street, No. 5, Floor 10, No. 9, 10 Room 1009 - Liangjiu International Building 116011 Dalian	80.00	77.09	GI
Vilmorin-Mikado Korea Co. LTD	South Korea	D1204, U1 center, 947 Hanam-daero, Hanam-si, Gyeonggi-do, 12982 Korea	100.00	96.36	GI
Vilmorin-Mikado Co. Ltd	Japan	1-4-11 Ohnodai - Midori-ku 267-0056 Chiba City, Chiba Pref.	100.00	96.36	GI
Vilmorin-Mikado Mexico	Mexico	Bldv. Peñaflor Angel Aniel # 1102 Int B2B3 Parque Novatec Business 76116 Santiago de Queretaro, QRO	100.00	100.00	GI
Vilmorin-Mikado USA, inc	United States	3 Harris Place 93901-4593 Salinas California	100.00	100.00	GI

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
Vilmorin-Mikado Atlas	Morocco	Route de l'Oasis, rue n°3 – n°6, Bureaux n°B108, B109 & M02 Oasis Sud, Quartier Oasis 20410 Casablanca		70.00	69.98	GI
Vilmorin-Mikado Brasil Ltda	Brazil	Avenida Alexander Graham Bell, n° 200 Unidade A3, Bairro Techno Park, CEP 13.069-310 Campinas, SP		100.00	99.98	GI
Vilmorin-Mikado Iberica	Spain	Calle Joaquim Orozco 17 - 03006 Alicante		99.91	99.89	GI
Vilmorin-Mikado Italia	Italy	Centergross Blocco CP 97 - 22 Via dei Notai 123 40050 Funo (BO)		100.00	99.98	GI
Vilmorin OOO	Russian Federation	Building 3, 3/10 Elektricheskiy Lane 123557, Moscow		100.00	99.98	GI
Vilmorin-Mikado	France	Route du Manoir - 49250 La Ménittré	562 050 864	99.98	99.98	GI
Vilmorin-Mikado El Salvador S.A DE C.V	El Salvador	Zapotitan-Calle el Charco, Caserio Belen Canton Sitio El Niño Departamento de la Libertad, San Juan Opico		100.00	99.98	GI
FIELD SEEDS						
Biogemma USA Corp	United States	2331 230 th Street 50014 Ames IA		100.00	97.20	GI
Innolea	France	6 chemin de Panedautés – 31700 Mondonville	843 228 636	25.00	25.00	EM
4 - LIMAGRAIN EUROPE						
Limagrain A/S	Denmark	Erhvervvej 13 8700 Horsens		100.00	97.20	GI
Limagrain Česká Republika	Czech Republic	Lednická 1533, Kyje 19800 Praha 9		100.00	97.20	GI
Limagrain Belgium NV	Belgium	5 rue du Quai 8581 Avelgem-Kerkhove		100.00	97.20	GI
Limagrain Bulgaria	Bulgaria	7 Iskarsko Shosse Blvd., Trade Center Europe, Building 7, floor 1, office 1 Iskar Region 1528 Sofia		100.00	97.20	GI
Limagrain d.o.o Beograd	Serbia	Vojvode Misica 2 21000 Novi Sad		100.00	97.20	GI
Limagrain Europe SAS	France	Biopôle Clermont-Limagne Rue Henri Mondor 63360 Saint-Beauzire	542 009 824	97.20	97.20	GI
Limagrain GmbH	Germany	Am Griewenkamp 2 - Edemissen - D 31234		100.00	97.20	GI
Limagrain Hungaria	Hungary	Gyar utca 2040 Budaörs		100.00	97.20	GI
Limagrain Iberica SA	Spain	Centra Pamplona Huesca Km 12 Elorz (Navarra) 31470		100.00	97.20	GI
Limagrain Italia SPA	Italy	Via Dante Corradini 3 43036 Fidenza		100.00	97.20	GI
Limagrain Moldova srl	Moldova	Strada Sfaturi Tarii 59 MD 2004 Municipiu Chisinau		100.00	97.20	GI
Limagrain Nederland BV	Netherlands	Van der Haveweg 2 4411 RB Rilland		100.00	97.20	GI
Limagrain Polska	Poland	Rataje 164, 61-168 Poznan		100.00	97.20	GI
Limagrain Romania	Romania	Bd. Pipera nr. 1B spatiul SB5.05, etaj 5, Cubic Center, Voluntari Jud.Ifov 075100 Judetul Ilfov		100.00	97.20	GI
Limagrain RU	Russia	Mitrofana Sedina str.,159 350015 Krasnodar		100.00	97.20	GI
Limagrain Slovakia	Slovakia	M. Razusa 29 984-01 Lucenec		100.00	97.20	GI
Limagrain Sunflowers INC.	United States	71 West Kentucky Avenue Woodland, CA 95695 Californie		100.00	100.00	GI

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Name	Country	Head Office	% Voting rights	% Interest	Consolidation method	
Limagrain Tohum Islah ve Üretim Sanayi Ticaret AS	Turkey	Hüdavendigar Mh. Karaosmanlar Kume Evleri n°2, Limagrain - Sitesi 16700 Karacabey/Bursa	67.00	65.12	GI	
Limagrain UK Limited	United Kingdom	Market Rasen, LN7 6DT Rothwell Lincolnshire	100.00	97.20	GI	
Limagrain Ukraine LLC	Ukraine	55 Turgenevskya str. 2 nd floor 04053 Kyiv	100.00	97.20	GI	
Soltis SAS	France	Domaine de Sandreau 31700 Mondonville	420 327 231	50.00	48.60	EM
Unisigma GIE	France	2 rue Petit Sorri 60480 Froissy	317 760 668	46.00	44.71	EM
5 - AGRELIANT						
AgReliant Genetics LLC	United States	P.O. Box 44220 IN 46244 Indianapolis Indiana	50.00	50.00	EM	
AgReliant Genetics Inc	Canada	6836 Pain Court Line RR1 Paint Court Ontario NOP 1Z0	50.00	50.00	EM	
6 - LIMAGRAIN CEREAL SEEDS						
Canterra Seeds Holding, Ltd.	Canada	201-1475 Chevrier Blvd R3T 1Y7 Winnipeg Manitoba	30.00	30.00	EM	
Limagrain Cereals Research Canada	Canada	843 - 58 th Street East - S7K 6X5 Saskatoon - Saskatchewan	70.00	70.00	GI	
Limagrain Cereal Seeds LLC	United States	Corporation service Company 2711 Centerville Road, Suite 400 Wilmington 19808 - Delaware	100.00	100.00	GI	
7 - LIMAGRAIN SOUTH AMERICA						
Limagrain Brasil SA	Brazil	Rua Pasteur, N° 463, 7° Andar Conjunto 701, Sala C- Bairro Água Verde, Estado do Paraná CEP 80250-104 Curitiba	100.00	100.00	GI	
Limagrain Chile Limitada	Chile	Rosas - 1190 Santiago de Chile	100.00	100.00	GI	
Limagrain Peru SAC	Peru	Altura CDRA. Av. San Martin, 208, 01 – Avenida Saenz Pena Barranco - 1501 Lima	100.00	100.00	GI	
Sursem SA	Argentina	Ruta 32, Kilometro 2 Pergamino, Provincia de Buenos Aires	99.26	99.26	GI	
8 - LIMAGRAIN ASIA-PACIFIC						
Australian Grain Technologies Pty Ltd	Australia	20 Leitch Road 5371 Roseworthy South Australia	32.77	32.77	EM	
Limagrain India Private Limited	India	411 Apollo Square, 7/2 Racecourse Road Indore 452001 Madhya Pradesh	100.00	100.00	GI	
Hengji Limagrain Seeds Co Ltd	China	N°9 Xianfu Street Zhangye City Gansu Province	45.04	45.04	EM	
Limagrain Myanmar Limited	Myanmar	Room#608, 6 th Floor, Lapyaye Wun Plaza, No-37, Alanpya Pagoda Road, Dagon Township 11191 Yangon.	100.00	100.00	GI	
Shanxi Limagrain Special Crops R&D Company Limited	China	Room 501, Crop Research Institute, Shanxi Academy of Agriculture and Science, No.81, Longcheng street 030006 Taiyuan City	77.50	77.50	GI	
Limagrain (Cambodia) CO., LTD.	Cambodia	Camma Building No, 101A, Second floor, Room No, 02, Street 289, Sangkat Boeung Kak I, Khan Toul Kak - Phnom Penh	100.00	100.00	GI	
Seed Asia International Limited	Hong Kong	Suite 2303, 23 rd Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong-Kong	100.00	100.00	GI	
Limagrain (Thailand) CO LTD	Thailand	No.1126/2, Vanit 2 Building, 27th Floor, Room No. 2701 and 2704, Phetchaburi Tat Mai Road, Makkasan Sub-District, Ratchathewi 10400 Bangkok	100.00	100.00	GI	

Name	Country	Head Office		% Voting rights	% Interest	Consolidation method
9 - LIMAGRAIN AFRICA						
AgriSynergy Proprietary Limited	South Africa	15 Dr Gordon Street Kwazulu-Natal, 3250 Greytown		60.00	60.00	GI
Limagrain Zaad South Africa (Proprietary) Limited	South Africa	15 Dr Gordon Street Industrial Sites 3250 Greytown		51.00	30.60	GI
Seed Co International Limited	Botswana	Plot 43178 Phakalane P.O.Box 47143 Phakalane Gaborone		32.36	32.36	EM
Seed Co Limited	Zimbabwe	1 st Floor, S.A.Z. Building, Northend Park, Borrowdale - Harare		29.11	29.11	EM
Seed Co West and Central Africa	Ghana	Ground Floor, Chateau Dieu, 56D Lami Dwaah Street, Adenta Housing Estate, Accra		50.00	50.00	EM
GARDEN PRODUCTS AND HOLDINGS						
DLF France SAS	France	ZA Les Pains - Les Alleuds 49320 Brissac Quince	432 004 679	33.33	33.33	EM
10 - VILMORIN JARDIN						
Vilmorin Garden Sp. zo.o.	Poland	ul. Ks.P. Wawrzyniaka 2 62-052 - Komorniki		100.00	100.00	GI
Vilmorin Jardin SAS	France	ZI De Tharabie Parc des Chesnes, 65, rue de Luzais 38070 St Quentin Fallavier	959 503 111	100.00	100.00	GI
HOLDINGS & BIOTECHNOLOGIES						
Genective SA	France	Biopôle Clermont-Limagne Rue Henri Mondor 63360 Saint-Beauzire	513 533 612	50.00	50.00	EM
Limagrain (Beijing) Business Consulting Co Ltd	China	Room 1102, Block 2 of Tiantongzhongyuan, Changping District - Beijing		100.00	100.00	GI
Vilmorin Nederland Holding BV	Netherlands	Van der Haveweg 2 - 4411 RB Rilland		100.00	100.00	GI
Latam Seed Holdings S.L U	Spain	Calle Serrano número 41, planta 4º 28001 Madrid		100.00	100.00	GI
Mars Holding BV	Netherlands	Van der Haveweg 2 4411 RB Rilland		100.00	100.00	GI
Mikado Seed Holding K.K.	Japan	1-4-11 Ohnodai, Midori-ku 267-0056 Chiba-shi		85.45	85.45	GI
Vilmorin & Cie SA	France	4 Quai de la Mégisserie 75001 Paris	377 913 728	100.00	100.00	GI
Vilmorin Hong-Kong Limited	Hong Kong	Level 54, Hopewell Centre 183 Queen's Road East Hong Kong		100.00	100.00	GI
Vilmorin USA Corp	United States	Corporation Service Company 251 Little Falls Drive 19808 Wilmington - Delaware		100.00	100.00	GI
Vilmorin Singapore PTE Ltd	Singapore	80 Raffles Place #32-01 UOB Plaza 048624 Singapore		100.00	100.00	GI

Consolidation method: GI: global integration EM: equity method

APPENDIX 2: FEES PAID TO THE STATUTORY AUDITORS AND TO MEMBERS OF THEIR NETWORK

ON JUNE 30, 2022:

	06.30.22			
In euros	Grant Thornton	KPMG	Visas 4	Total
Certification and limited half-yearly review of the individual and consolidated financial statements				
> Vilmorin & Cie	101,271	-	50,729	152,000
> Globally integrated subsidiaries	585,806	325,244	22,240	933,289
Services other than certification of the financial statements				
> Vilmorin & Cie	34,000	-	-	34,000
> Globally integrated subsidiaries	38,560	90,087	1,000	129,647
Total	759,637	415,331	73,969	1,248,936

ON JUNE 30, 2021:

	06.30.21			
In euros	Grant Thornton	KPMG	Visas 4	Total
Certification and limited half-yearly review of the individual and consolidated financial statements				
> Vilmorin & Cie	79,845	-	40,756	120,601
> Globally integrated subsidiaries	458,365	550,502	24,070	1,032,937
Services other than certification of the financial statements				
> Vilmorin & Cie	800	-	500	1,300
> Globally integrated subsidiaries	12,823	106,296	2,535	121,654
Total	551,833	656,798	67,861	1,276,492

6.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Fiscal year closing on June 30, 2022

To the Shareholders of Vilmorin & Cie,

OPINION

In compliance with the assignment entrusted to us by your Shareholders' Annual General Meetings, we have conducted the audit of the consolidated financial statements of the company Vilmorin & Cie concerning the fiscal year closing on June 30, 2022 as they are appended to this report.

We certify that the consolidated financial statements give a true and fair view of the results of operations for the fiscal year ended, and of the financial position and assets and liabilities at the end of the fiscal year of the persons and entities included in the consolidation, in accordance with IFRS standards as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the Audit and Risk Management Committee.

BASE OF THE OPINION

AUDIT STANDARDS

We have conducted our audit in accordance with the professional standards applicable in France. We believe that the information we have gathered is sufficient and appropriate to form our opinion.

Our responsibilities under these standards are set out in the "Statutory Auditors' Responsibilities relating to the audit of the consolidated financial statements" section of this report.

INDEPENDENCE

We have carried out our audit mission in compliance with the independence rules applicable to us set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, over the period from July 1, 2021 to the date of issue of our report, and in particular we have not provided services prohibited by article 5, paragraph 1, of regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT POINTS

In accordance with the articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the

audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the fiscal year, as well as the answers that we have provided with regard to these risks.

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole, and the formation of our opinion expressed above. We do not express an opinion on individual items in these consolidated financial statements.

EVALUATION OF GOODWILL AND GERmplasm

Risk identified:

On June 30, 2022, the values of goodwill and germplasm for the group stood respectively at 455.5 million euros and 304.4 million euros and represent 21 % of the group's total balance sheet.

Bearing in mind that germplasm needs to be kept permanently in good condition, regularly maintained and continually used in the process of plant breeding*, the Management considers that its economic life is indefinite.

These intangible fixed assets with an indefinite economic life were recognized during external growth operations, and were allocated to Cash Generating Units (CGUs) for the activities in which the acquired companies were integrated. In particular, germplasm, measured at fair value through business combinations, consists of all plant resources acquired. As stipulated in Note 1, paragraphs 9.2 and 9.4, of Notes to the consolidated financial statements, every fiscal year the goodwill and germplasm are tested to ensure that their book value is not higher than their recoverable value, and that there is no risk of impairment.

We considered that the assessed value of these intangible assets is a key point of the audit due to its significant importance in the group's financial statements and the method of determining their recoverable amount, most often based on discounted cash flow forecasts, which require the use of assumptions, estimates or assessments by Management, as indicated in Note 1, paragraphs 3 and 11 of the "Notes to the consolidated financial statements". Details of the assumptions adopted are presented in Notes 14 and 15.

Audit procedures implemented to address identified risks:

We have examined the methods used to implement these impairment tests.

We assessed the reasonable nature of key estimates, including cash flow forecasts, long-term growth rates and discount rates

FINANCIAL INFORMATION

6.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

used. We also analyzed the consistency of cash flow forecasts with past performances, market prospects and the forecast data presented to the Company's Board of Directors, and reviewed the sensitivity analyses on impairment tests.

Finally, we also verified the appropriateness of the information provided in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We also performed the specific verifications, required by law and in accordance with professional standards applicable in France, of information relating to the group, as provided for in the Board of Directors' management report.

We have no comments as to its fair presentation and conformity with the consolidated financial statements.

STATEMENT OF NON-FINANCIAL PERFORMANCE

We hereby certify that the consolidated statement of non-financial performance provided for in Article L.225-102-1 of the French Commercial Code is included in the information relating to the group provided in the management report, but also specify that, in accordance with the provisions of Article L.823-10 of this Code, we have not verified the fairness of the information contained in this statement or its consistency with the consolidated financial statements, and that it must be the subject of a report by an independent third-party organization.

OTHER VERIFICATIONS OR INFORMATION RESULTING FROM LEGAL AND REGULATORY OBLIGATIONS

PRESENTATION FORMAT OF THE CONSOLIDATED FINANCIAL STATEMENTS TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with the professional standard on the due diligence of Statutory Auditors for the annual and consolidated financial statements presented in the single European electronic information format, we have also verified that the presentation of the consolidated financial statements intended for inclusion in the annual financial report referred to in I of Article L.451-1-2 of the French Monetary and Financial Code, which are the responsibility of the Board of Directors, complies with this format as defined by the European Delegated Regulation No. 2019/815 of December 17, 2018. As these are consolidated financial statements, our procedures include verifying that the presentation of these financial statements complies with the format defined by the above-mentioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements that will be included in your company's annual financial report filed with the AMF correspond to those on which we have performed our work.

DESIGNATION OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Vilmorin & Cie by the General Meeting of December 14, 2020 for Grant Thornton, and February 21, 1995 for Visas 4 Commissariat.

On June 30, 2022, Grant Thornton. was in its 2nd uninterrupted year of mission, and Visas 4 Commissariat in its 28th year, and respectively the 2nd and 28th year since the shares of the Company were admitted for trading on a regulated market

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE RELATING TO THE CONSOLIDATED FINANCIAL STATEMENTS

It is the responsibility of Management to prepare consolidated financial statements that present a true and fair view in accordance with IFRS standards as adopted by the European Union, and to establish such internal control as it deems necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing in these financial statements, if applicable, the necessary information relating to the going concern and for applying the going concern accounting policy, unless it is planned to liquidate the Company or cease operations.

The Audit and Risk Management Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where applicable, internal audit, with respect to the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements were closed by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES RELATING TO THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

AUDIT OBJECTIVE AND APPROACH

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee

that an audit conducted in accordance with professional practice standards will always detect any significant material misstatement. Such misstatements may be fraudulent or error-related and are considered material when they can reasonably be expected to influence, either individually or cumulatively, the economic decisions that account users make based on them.

As specified by article L.823-10-1 of the French Commercial Code, our certification mission of the financial statements is not to guarantee the viability or quality of your Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, Statutory Auditors exercise their professional judgment throughout this audit. In addition:

- they identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, define and implement audit procedures to address these risks, and collect information that they consider sufficient and appropriate to form their opinion. The risk of undetected material misstatement arising from fraud is greater than the risk of undetected material misstatement resulting from an error, as fraud may involve collusion, forgery, willful omission, misrepresentation or circumvention of internal control.
- they take note of the internal control relevant to the audit in order to define appropriate audit procedures in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control.
- they assess the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by Management, as well as the information concerning these estimates provided in the consolidated financial statements.
- they assess the appropriateness of Management's application of the going concern accounting policy and, depending on the information collected, whether or not there is any significant uncertainty related to events or circumstances that could jeopardize the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report, although it should be borne in mind that future circumstances or events could jeopardize the Company's ability to continue as a going concern. If they conclude that there is significant uncertainty,

they draw the attention of the readers of their report to the information provided in the consolidated financial statements about that uncertainty or, if that information is not provided or is not relevant, they issue a qualified certification or a refusal to certify.

- they assess the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.
- with regard to the financial information of the persons or entities included in the consolidation scope, they collect information that they consider sufficient and appropriate to express an opinion on the consolidated financial statements. They are responsible for the management, supervision and audit of the consolidated financial statements and for the opinion expressed therein.

REPORT TO THE AUDIT AND RISK MANAGEMENT COMMITTEE

We submit a report to the Audit and Risk Management Committee which includes the scope of the audit work and the work program implemented, as well as the conclusions resulting from our work. We also bring to its attention, where appropriate, any material weaknesses in the internal control procedures that we have identified with regard to the preparation and processing of accounting and financial information.

Among the items disclosed in the report to the Audit and Risk Management Committee are the risks of material misstatement that we believe to have been the most significant for the audit of the consolidated financial statements for the fiscal year and which are therefore the key points of the audit. These points are described in this report.

We also provide the Audit and Risk Management Committee with the declaration required by article 6 of regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in articles L.822-10 to L.822-14 of the French Commercial Code and Code of Ethics for Statutory Auditors. If necessary, we meet with the Audit and Risk Management Committee to discuss the risks related to our independence and the safeguards applied.

The Statutory Auditors
Lyon and Clermont-Ferrand, October 13, 2022

Grant Thornton
Françoise MECHIN, Partner
Arnaud DEKEISTER, Partner

Visas 4
Commissariat
Emily STRICKLAND, Partner

6.3. CORPORATE FINANCIAL STATEMENTS

6.3.1. INCOME STATEMENT

In thousands of euros	21-22	20-21
Sales	95,808	93,894
Purchases consumed	-400	-413
Gross margin	95,408	93,482
Other operating income	1,429	1,899
Operating resources	96,837	95,380
Other purchases and external charges	-68,094	-65,590
Taxes	-960	-1,163
Personnel charges	-30,107	-33,607
Depreciation, amortization and provisions	-10,167	-9,272
Operating charges	-109,328	-109,633
Operating income	-12,492	-14,253
Share in income from joint operations	0	0
Financial income	43,356	59,879
Extraordinary income	-1,413	-4,568
Income taxes	15,274	16,852
Net income for the fiscal year	44,726	57,910

6.3.2. BALANCE SHEET ASSETS

In thousands of euros	Gross 06.30.22	Depreciation and provisions	Net 06.30.22	Net 06.30.21
Intangible fixed assets	119,557	-69,978	49,579	48,505
Tangible fixed assets	2,662	-2,165	497	526
Financial fixed assets	1,326,165	-124,011	1,202,154	1,214,392
Fixed assets	1,448,385	-196,154	1,252,231	1,263,423
Inventories	177	0	177	144
Accounts receivable	9,857	-106	9,751	10,152
Other receivables	537,545	0	537,545	520,574
Cash and bank in hand	124,298	-16	124,281	83,215
Current assets	671,876	-122	671,755	614,085
Accruals	17,764		17,764	18,281
Total assets	2,138,025	-196,275	1,941,750	1,895,789

6.3.3. BALANCE SHEET LIABILITIES

In thousands of euros	Net 06.30.22	Net 06.30.21
Capital stock	349,489	349,489
Issue premiums	300,602	300,602
Reserves	31,712	28,816
Carried forward	21,145	2,786
Income for the fiscal year	44,726	57,910
Investment subsidies		
Regulated provisions		
Equity	747,673	739,604
Other shareholders' funds	667	826
Provisions for liabilities and charges	8,881	9,757
Loans and financial debts	1,061,928	1,030,144
Accounts payable	18,674	20,773
Other debts	103,917	94,685
Current liabilities	1,184,520	1,145,601
Accruals	9	2
Total liabilities	1,941,750	1,895,789

6.4. STATUTORY AUDITORS' REPORT ON THE ANNUAL CORPORATE FINANCIAL STATEMENTS

Fiscal year closing on June 30, 2022

To the Shareholders of Vilmorin & Cie,

OPINION

In compliance with the assignment entrusted to us by your Shareholders' Annual General Meetings, we have conducted the audit of the annual corporate financial statements of the Company Vilmorin & Cie concerning the fiscal year closing on June 30, 2022 as they are appended to this report.

We certify that the annual financial statements give a true and fair view of the results of operations for the past fiscal year and of the financial position and assets and liabilities at the end of the fiscal year, with respect to French accounting rules and principles.

The opinion expressed above is consistent with the content of our report to the Audit and Risk Management Committee.

BASIS OF THE OPINION

AUDIT STANDARDS

We have conducted our audit in accordance with the professional standards applicable in France. We believe that the information we have gathered is sufficient and appropriate to form our opinion.

Our responsibilities under these standards are set out in the "Statutory Auditors' Responsibilities relating to the audit of the annual financial statements" section of this report.

INDEPENDENCE

We have carried out our audit mission in compliance with the independence rules applicable to us set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, over the period from July 1, 2021 to the date of issue of our report, and in particular we have not provided services prohibited by article 5, paragraph 1, of regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT POINTS

In accordance with the articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most significant for the audit of the annual financial statements for the fiscal year, as well as the answers that we have provided with regard to these risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole, and the formation of our opinion expressed above. We do not express an opinion on individual items in these annual financial statements.

VALUATION OF EQUITY SHARES

Risk identified:

Equity shares, shown in the balance sheet on June 30, 2022 for a net amount of 1,183 million euros, represent 61% of the Company's balance sheet. They are recorded on their date of entry at acquisition cost, and amortized on the basis of their value in use.

As indicated in Note 2 to the annual financial statements, at each close of the fiscal year, the Company estimates the value in use of each of its equity investments to determine whether this value in use is less than the net book value.

This analysis is based on a multi-criteria approach taking into account:

- first the contribution of each subsidiary to the consolidated financial statements of the group,
- then, where applicable, the economic value determined by reference to future cash flows, taking into account the activity developed and the outlook for the future.

In this context and in view of the uncertainties inherent in certain elements, and in particular the likelihood that forecasts will be achieved, we considered the correct valuation of equity shares to be a key point of the audit.

Audit procedures implemented to address identified risks:

In order to assess the reasonable nature of the estimate of the value in use of equity shares, based on the information provided to us, our work consisted mainly in verifying that the estimate of these values determined by Management is based on an appropriate justification of the valuation method and the figures used and, depending on the securities concerned, to:

- For assessments based on historical items:
 - verify that the shareholders' equity adopted is consistent with the financial statements of the entities audited or subject to analytical procedures and that any adjustments made to the shareholders' equity are based on supporting documentation.
- For assessments based on forecast items:
 - obtain the cash flow and operating forecasts of the activities of the entities concerned prepared by their operating departments and assess their consistency with the forecast data prepared under the supervision of their General Management for each of these activities,

- verify that the assumptions used are consistent with the economic environment at the date of close and preparation of the financial statements,
- verify that the value resulting from cash flow forecasts has been adjusted by the amount of the net indebtedness of the entity under consideration.

SPECIFIC VERIFICATIONS

We have also performed the specific verifications required by law, and in accordance with professional standards applicable in France.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS ON THE FINANCIAL POSITION AND THE ANNUAL FINANCIAL STATEMENTS

We have nothing to report on the fairness and consistency with the annual financial statements of the information given in the Board of Directors' management report, and in the other documents sent to Shareholders on the financial position and the annual financial statements.

We certify that the information relating to payment periods mentioned in article D.441-6 of the French Commercial Code is true and fair, and consistent with the annual financial statements.

REPORT ON THE CORPORATE GOVERNANCE

We attest to the existence, in the Board of Directors' management report on corporate governance, of the information required by articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning information provided pursuant to the provisions of article L.22-10-9 of the French Commercial Code on compensation and benefits paid to corporate officers and commitments granted to them, we have verified their consistency with the financial statements or with the data used in the preparation of these financial statements and, where applicable, with the information collected by your Company from companies controlled by your Company and included in the consolidation scope. On the basis of this work, we certify the accuracy and fairness of this information.

OTHER INFORMATION

In accordance with the law, we have verified that the various disclosures relating to the identity of holders of share capital or voting rights have been disclosed to you in the management report.

OTHER VERIFICATIONS OR INFORMATION RESULTING FROM LEGAL AND REGULATORY OBLIGATIONS

PRESENTATION FORMAT OF THE CONSOLIDATED FINANCIAL STATEMENTS TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

In accordance with the professional standard on the due diligence of Statutory Auditors for the annual and consolidated financial statements presented in the single European electronic information format, we have also verified that the presentation of the annual financial statements intended for inclusion in the annual financial report referred to in I of Article L.451-1-2 of the French Monetary and Financial Code, which are the responsibility of the Board of Directors, complies with this format as defined by the European Delegated Regulation No. 2019/815 of December 17, 2018.

On the basis of our work, we conclude that the presentation of the annual financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements that will be included in your company's annual financial report filed with the AMF correspond to those on which we have performed our work.

DESIGNATION OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Vilmorin & Cie by the General Meeting of December 14, 2020 for Grant Thornton, and February 21, 1995 for Visas 4 Commissariat.

On June 30, 2022, Grant Thornton. was in its 2nd uninterrupted year of mission, and Visas 4 Commissariat in its 28th year, and respectively the 2nd and 28th year since the shares of the Company were admitted for trading on a regulated market.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH CORPORATE GOVERNANCE RELATING TO THE ANNUAL FINANCIAL STATEMENTS

It is the responsibility of Management to prepare annual financial statements that present a true and fair view in accordance with French accounting rules and principles, and to establish such internal control as it deems necessary for the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing in these financial statements, if applicable, the necessary information relating to the going concern and for applying the going concern accounting policy, unless it is planned to liquidate the Company or cease operations.

The Audit and Risk Management Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where applicable, internal audit, with respect to the procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were closed by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES RELATING TO THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

AUDIT OBJECTIVE AND APPROACH

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free from significant material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional practice standards will always detect any significant material misstatement. Such misstatements may be fraudulent or error-related and are considered material when they can reasonably be expected to influence, either individually or cumulatively, the economic decisions that account users make based on them.

As specified by article L.823-10-1 of the French Commercial Code, our mission to certify the financial statements is not to guarantee the viability or quality of your Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, Statutory Auditors exercise their professional judgment throughout this audit. In addition:

- They identify and assess the risks of significant material misstatement in the annual financial statements, whether due to fraud or error, define and implement audit procedures to address these risks, and collect information that they consider sufficient and appropriate to form their opinion. The risk of undetected material misstatement arising from fraud is greater than the risk of undetected material misstatement resulting from an error, as fraud may involve collusion, forgery, willful omission, misrepresentation or circumvention of internal control.
- They take note of the internal control relevant to the audit in order to define appropriate audit procedures in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control.

- They assess the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by Management, as well as the information concerning these estimates provided in the annual financial statements.
- They assess the appropriateness of Management's application of the going concern accounting policy and, depending on the information collected, whether or not there is any significant uncertainty related to events or circumstances that could jeopardize the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of their report, although it should be borne in mind that future circumstances or events could jeopardize the Company's ability to continue as a going concern. If they conclude that there is significant uncertainty, they draw the attention of the readers of their report to the information provided in the annual financial statements about that uncertainty or, if that information is not provided or is not relevant, they issue a qualified certification or a refusal to certify.
- They assess the overall presentation of the annual financial statements and assess whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

REPORT TO THE AUDIT AND RISK MANAGEMENT COMMITTEE

We submit a report to the Audit and Risk Management Committee, which includes the scope of the audit work and the work program implemented, as well as the conclusions resulting from our work. We also bring to its attention, where appropriate, any material weaknesses in the internal control procedures that we have identified with regard to the preparation and processing of accounting and financial information.

Among the items disclosed in the report to the Audit and Risk Management Committee are the risks of material misstatement that we believe to have been the most significant for the audit of the annual financial statements for the fiscal year and which are therefore the key points of the audit. These points are described in this report.

We also provide the Audit and Risk Management Committee with the declaration required by article 6 of regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 of the French Commercial Code and in the Code of Ethics for Statutory Auditors. If necessary, we meet with the Audit and Risk Management Committee to discuss the risks related to our independence and the safeguards applied.

The Statutory Auditors
Lyon and Clermont-Ferrand, October 13, 2022

Grant Thornton
Françoise MECHIN, Partner
Arnaud DEKEISTER, Partner

Visas 4
Commissariat
Emily STRICKLAND, Partner



7.

VILMORIN & CIE AND ITS SHAREHOLDERS

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7.1. INFORMATION ON THE COMPANY

7.1.1. NAME, HEAD OFFICE AND ADMINISTRATIVE OFFICE

- Name: Vilmorin & Cie.
- Head office: 4, quai de la Mégisserie - 75001 Paris - France.
- Administrative offices: CS 20001 Saint Beauzire - F-63360 Gerzat.
- Jurisdiction: French jurisdiction
- Website: **www.vilmorincie.com**.

The information on the Company's website does not form an integral part of this document unless it is incorporated by reference.

7.1.2. LEGAL STATUS

Vilmorin & Cie is a "Société Anonyme" (limited liability company), with a Board of Directors, governed by the provisions of Book II of the French Commercial Code.

7.1.3. DATE OF CREATION AND DURATION

The Company was created on March 2, 1990 under the name of SSBP (Société de Services de la Branche Potagères & Fleurs); this name has been since changed as follows:

- modification of name to Ceres (EGM June 27, 1990),
- modification of name to Vilmorin & Cie (EGM June 29, 1993),
- modification of name to Vilmorin Clause & Cie (EGM December 9, 1997),
- modification of name to Vilmorin & Cie (EGM July 3, 2006).

Various modifications to the by-laws have been adopted, and in particular the following:

- modification of management system (EGM March 16, 1998), to adopt the system of Board of Directors, replacing the Board of Management and Board of Trustees,
- modification of the by-laws in compliance with the French law of January 15, 2001 governing new economic regulations (EGM December 3, 2002),
- update of the by-laws ((EGM December 11, 2008, EGM December 9, 2016 and decisions taken by the Chairman and CEO on January 11, 2019).

The duration of the Company is 99 years, unless it is extended or cut short by an Extraordinary General Meeting of the Shareholders.

The by-laws may be consulted on the Company's website, in the section Publications/Regulated information, at the address: <https://www.vilmorincie.com/fr/archives/publications/information-reglementee/>⁽¹⁾.

7.1.4. OBJECT OF THE COMPANY

Under the terms of article 2 of the by-laws, the object of Vilmorin & Cie is:

- to acquire a stake, and to participate in any company in which it thinks it may have an interest,
- to make profitable and rational use of the resources pooled by its subsidiaries and to take any civil or commercial measures for this purpose,
- to co-ordinate and develop the activity of its subsidiaries by setting up missions to provide them with monitoring and control,
- to provide its subsidiaries, or any other persons, with the means to improve their management, reduce their overheads and facilitate the distribution of their products,
- to carry out research on the subject of plants and all processes that can be applied to plant improvement and the development of new varieties,
- to exploit and sell any knowledge thus acquired, any patents, and any new plant varieties, in whatever form, directly or indirectly, or by granting a license for use or any other form,
- to acquire stakes in whatever form, interest and participation in any company, group or enterprise, whether French or of another nationality, which has a similar object or that is liable to help it develop its own business.

In order to attain these corporate objectives, the Company may:

- create, acquire/sell, exchange, rent or let out, with or without a promise of sale, manage and run, directly or indirectly, any industrial or commercial establishment, any factory, any site or premises whatsoever, any furniture or equipment,
- obtain or acquire any patent, license, process and trademark, exploit them, create or contribute or grant any license to manufacture or produce in any country,
- and generally, carry out any operation of a commercial, industrial, financial nature, or regarding moving or fixed assets, that may be useful, whether directly or indirectly, to the corporate object, or contribute to its achievement.

It may act, directly or indirectly, on its own behalf or on behalf of a third party, and either alone or in association, as a Shareholder or as a company, with any other company, or physical or moral entity, and proceed with operations that comply with its object, either directly or indirectly, whether in France or in another country, and in whatever form, on condition operations fall within its purpose.

(1) The information appearing on the Vilmorin & Cie website does not form an integral part of the present document, unless it is incorporated by reference.

7.1.5. COMPANY TRADE REGISTER

The Company is registered on the Paris Company Trade Register under number 377 913 728.

No. SIRET: 377 913 728 00020

No. SIREN: 377 913 728

No. APE: 7010 Z (Activity of head offices)

No. LEI: 969500TQ4OAZZXSUPZ18

7.1.6. FISCAL YEAR

The fiscal year is for twelve months, running from July 1 until June 30 of the following year.

7.1.7. CONSULTATION OF LEGAL DOCUMENTS

The legal documents concerning Vilmorin & Cie (by-laws, minutes of General Meetings, Statutory Auditors' reports and any documents available to Shareholders) can be consulted at the head office of the Company: 4, quai de la Mégisserie – F-75001 Paris. Moreover, this information and certain historical financial information concerning regulatory information is available on the Vilmorin & Cie website in the section Publications, at the address: <https://www.vilmorincie.com/en/archives/publications-en/>⁽¹⁾

7.1.8. TRIBUNALS FOR REFERRAL OF LITIGATION

Tribunal de Commerce de Paris.

7.1.9. GENERAL MEETINGS

7.1.9.1. NOTICE TO ATTEND GENERAL MEETINGS

General Meetings are convened in compliance with legal provisions. Meetings are held at the place stipulated in the notice to attend.

CONVENING REGISTERED SHAREHOLDERS

Shareholders who have held registered shares for at least one month at the date the meeting is published, or of the notice to attend, are convened to any General Meeting by ordinary letter, or for any Shareholder who so wishes, by registered letter at his or her expense.

Notices to attend can also be sent by electronic mail if the Shareholder has opted for this form of communication, in accordance with conditions laid down in article R.225-63 of the French Commercial Code.

7.1.9.2. CONDITIONS OF ATTENDANCE

Any Shareholder can attend General Meetings, whether personally or by proxy, in the conditions laid down by law, upon justification of his or her identity and ownership of the shares:

- either by nominative registration,
- or by registration of an ownership certificate issued thereby, in accordance with regulations in force, attached to a posted ballot, a voting proxy form or a request for admittance card prepared in the name of the Shareholder or the Shareholder's nominee. The period during which these formalities must be accomplished expires on the second working day before the date of the General Meeting at midnight, Paris time.

General Meetings can be attended by all the Shareholders whatever the number of shares they hold, on condition they are fully paid up.

Any Shareholder can also participate in General Meetings by any means of telecommunications in the conditions fixed by laws and regulations, and which are stipulated in the notice to attend the General Meeting.

Shareholders may vote by Internet, before the General Meeting, on the secure voting platform VOTACCESS; they can also choose an electronic notice, which consists in receiving their invitation to the General Meeting by e-mail.

7.1.9.3. VOTING RIGHTS ACCOMPANYING THE SHARES

In all the Meetings, provided all laws and decrees in force are respected, each member attending the General Meeting has the same number of votes as the number of shares he or she holds or represents, without any limits. Nevertheless, double voting rights compared to other shares, in proportion to the stock they represent, are granted to any shares fully paid up and held nominatively for four years at least with the same Shareholder's name (decision of the General Meeting of July 22, 1993).

(1) The information appearing on the Vilmorin & Cie website does not form an integral part of the present document, unless it is incorporated by reference.

This right is also granted, as soon as they are issued in the case of an increase in stock through incorporation of the reserves, profits or issue premiums, to nominative shares allotted free of charge to a Shareholder by virtue of former shares which provide this right.

7.1.9.4. RULES FOR REPRESENTATION AND ADDING ITEMS OR DRAFT RESOLUTIONS TO THE AGENDA

RULES FOR REPRESENTATION

Shareholders may be represented not only by another Shareholder, spouse or civil partner, but also by any other person (physical person or legal entity) of their choice (Article L.225-106, I-al 2). This freedom to choose one's representative is accompanied by the need for the representative to obtain all necessary information to avoid any conflict of interest that might arise between the representative and his or her mandator.

ADDING ITEMS OR DRAFT RESOLUTIONS TO THE AGENDA OF THE GENERAL MEETING BY SHAREHOLDERS AND WRITTEN QUESTIONS

The possibility of Shareholders to include draft resolutions or any item not linked to a draft resolution is subject to their possession of a certain percentage of the capital stock. The Shareholder must accompany his or her request with justification of possession of the percentage of capital stock required, along with a certificate of registration for the corresponding shares, either in the nominative share accounts kept by the Company or in the bearer share accounts held by an authorized intermediary.

Moreover, any examination of the item or the resolution by the General Meeting is conditional on the transmission by the relevant party of another certificate of securities registration for the same accounts on the second working day (midnight, Paris time) prior to the General Meeting.

The request for the inclusion of any agenda items or draft resolutions must be sent to the head office by registered letter with a request for acknowledgement of receipt, or by e-mail, and must reach the Company at least 25 days before the date of the General Meeting, but no later than 20 days after the date of the notice to attend the meeting.

All requests to include draft resolutions must be accompanied by:

- the text of the draft resolutions,
- where relevant, a brief presentation of the motives,
- a certificate of registered shares justifying that the minimum required capital stock is held.

Any request for the inclusion of an item on the agenda must be accompanied by the motives and a certificate of registered shares justifying that the required capital stock is held.

The Chairman of the Board must acknowledge receipt of the request for agenda items or draft resolutions, by registered letter, or by e-mail, within five days of receiving this request. If draft resolutions are submitted by Shareholders, the Members of the Board must meet in order to determine if they should recommend to the General Meeting that these draft resolutions should be adopted or rejected.

Each Shareholder may send to the Board of Directors, which will respond during the meeting, any written questions he or she chooses. The questions must be sent by registered letter with a request for acknowledgment of receipt, or by an electronic message sent to the addresses indicated in the notice to attend, at the latest on the fourth working day before the date of the General Meeting, and be accompanied by a certificate of registration for the corresponding shares, either in the nominative share accounts kept by the Company or in the bearer share accounts held by the authorized intermediary.

7.2. CAPITAL STOCK AND SHAREHOLDERS

7.2.1. CAPITAL STOCK

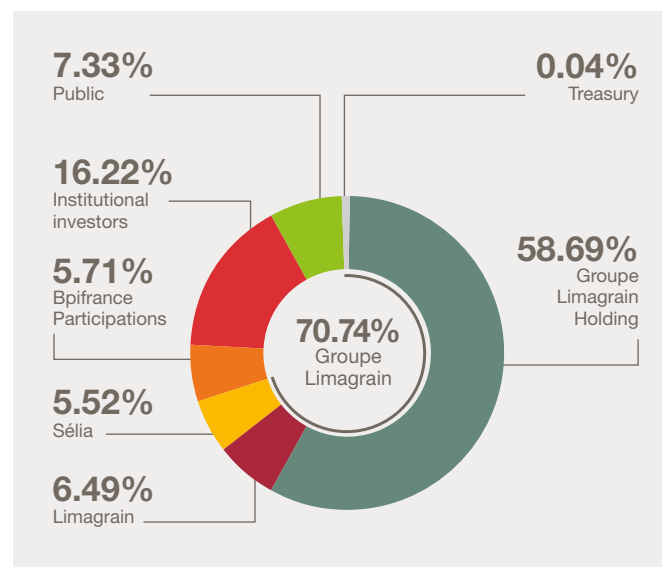
The capital stock on June 30, 2022, stood at 349,488,703 euros divided into 22,917,292 shares each with a nominal value of 15.25 euros, fully paid up.

Vilmorin & Cie's parent company and reference Shareholder, Limagrain (a presentation of Limagrain and the shareholding structure is set out in detail in Chapter 3. "Report on Corporate Governance", on page 103, paragraph 3.2.3.) directly or indirectly holds 70.74% of its capital stock.

More than 16 % of the capital stock is held by institutional investors, more than half of whom are based outside France (United States, Norway, Singapore, Switzerland, Germany, Belgium, Finland, United Kingdom, etc.). Almost 13,000 individual Vilmorin & Cie Shareholders, owning either registered or bearer shares, hold 7.33% of the capital stock.

In October 2020, Bpifrance Participations entered Vilmorin & Cie's capital stock and holds 5.71%, thus becoming the second largest Shareholder of Vilmorin & Cie, alongside Limagrain.

7.2.1.1. ANALYSIS OF THE CAPITAL STOCK ON JUNE 30, 2022



7.2.1.2. ANALYSIS OF THE CAPITAL STOCK AND VOTING RIGHTS ON JUNE 30, 2022

	Single vote shares	Double vote shares	% of capital stock	Total number of votes ⁽¹⁾	% of total number of votes ⁽¹⁾
Groupe Limagrain Holding	0	13,450,186	58.69%	26,900,372	69.65%
Limagrain	110,086	1,376,600	6.49%	2,863,286	7.41%
Sélia	495,515	770,085	5.52%	2,035,685	5.27%
Treasury ⁽²⁾	8,075	-	0.04%	-	-
Groupe Limagrain	613,676	15,596,871	70.74%	31,799,343	82.34%
Bpifrance Participations	1,308,904	0	5.71%	1,308,904	3.39%
Public	5,284,274	113,567	23.55%	5,511,408	14.27%
Total	7,206,854	15,710,438	100.00%	38,619,655	100.00%

(1) The difference between theoretical voting rights and votes that may be exercised in General Meetings is not significant.

(2) At nominal value.

- Capital stock and voting rights held by the different administrative and management structures: not significant.
- Capital stock and voting rights held by the employees, directly or indirectly: not significant. In fact, Vilmorin & Cie has not set up an employee stock ownership plan (even though employees can be Shareholders on an individual basis) and does not wish to do so, particularly to avoid creating a potential difference in status between the employees of Vilmorin & Cie and the other employees working for its parent company and reference Shareholder Limagrain.
- Declaration of transactions entered into by Top Executives: Groupe Limagrain Holding (GLH) filed a declaration by Top Executives with the AMF in respect of the redemption of bonds redeemable as existing shares of Vilmorin & Cie issued on March 16, 2010 (the terms and conditions of which were amended on December 13, 2016), which took place on October 14, 2020. Sélia filed a declaration by Top Executives to the AMF in respect of the transfer of Vilmorin & Cie shares to Bpifrance Participations.
- Declaration of Shareholders' agreement: the Shareholders' agreement signed in 2010 between Bpifrance Participations⁽¹⁾, Groupe Limagrain Holding (GLH) and Coopérative Limagrain, amended by a first rider on December 13, 2016, was amended by a second rider on October 14, 2020. The purpose of this second amendment was to reflect the fact that Bpifrance Participations no longer held an interest in GLH and had acquired a stake representing 5.71% of the capital stock and 3.40% of the voting rights of Vilmorin & Cie. The stipulations relating to the holding of GLH shares were removed and those relating to the holding of Vilmorin & Cie shares were maintained. This amendment was the subject of a notice published by the AMF⁽²⁾.
- Following the operations that took place on October 14, 2020, the concert made up of Coopérative Limagrain, GLH, Sélia and Bpifrance Participations held 75.89% of the capital stock and 85.42% of the voting rights of Vilmorin & Cie, while the presumed concert between Coopérative Limagrain, GLH and Sélia held 70.18% of the capital stock and 82.02% of the voting rights of Vilmorin & Cie.
- Collective commitments to preserve shares: two collective commitments to preserve the Company's shares were recorded on October 15 and 22, 2009 (article 885 I bis of the French Tax Code). These two commitments were signed for an initial duration of two years and are renewable by tacit agreement for an indefinite duration. On the date they were signed, the commitments concerned 2,715,003 shares, representing 20.3% of the financial rights and 28.7% of the voting rights.

Two riders to these commitments were written on October 22, 2010, and duly registered, in order to take account of the increase in the capital stock made on April 15, 2010: the commitments concerned 3,540,003 shares. On December 20, 2016, a new collective commitment to preserve the Company's shares was recorded (article 885 I bis of the French Tax Code). This commitment was signed for an initial duration of 2 years renewable by tacit agreement for an indefinite duration. On the day it was signed, the commitment concerned 7,194,503 shares, representing at least 20% of the financial rights and the voting rights.

- Non-issued authorized capital stock: none, as no commitment to raise the stock had been made.
- Shares non-representative of the capital: none.
- Stock options: none

(1) Operation carried out by the SIF – Strategic Investment Fund, now Bpifrance Participations.

(2) This notice can be consulted on the AMF website: www.amf-france.org.

7.2.1.3. EVOLUTION OF THE CAPITAL STOCK

Decision and date	Nature of the capital stock increase	Nominal amount and premium per share	Capital stock raised to	Aggregate number of shares
03.02.90	Creation of the Company. 2,500 shares issued	FRF 100	FRF 250,000	2,500
06.29.93	3,820,000 shares issued to pay for a partial contribution of assets from Groupe Limagrain Holding	FRF 100	FRF 382,250,000	3,822,500
06.29.93	Equivalent of 1,817,500 shares issued in cash reserved for Groupe Limagrain Holding	FRF 100	FRF 564,000,000	5,640,000
10.04.93	Conversion of shares at nominal price of FRF 100 to shares at FRF 300	FRF 300	FRF 564,000,000	1,880,000
12.17.93	166,700 shares issued reserved for Crédit Lyonnais bank	FRF 300 + Premium of FRF 6	FRF 614,010,000	2,046,700
11.26.96	921,015 shares issued with stock warrants	FRF 300 + Premium of FRF 170	FRF 890,314,500	2,967,715
11.96 to 06.30.97	177 warrants exchanged corresponding to 59 shares	FRF 300 + Premium of FRF 180	FRF 890,332,200	2,967,774
07.97 to 06.30.98	93 warrants exchanged corresponding to 31 shares	FRF 300 + Premium of FRF 180	FRF 890,341,500	2,967,805
07.98 to 06.30.99	927 warrants exchanged corresponding to 309 shares	FRF 300 + Premium of FRF 180	FRF 890,434,200	2,968,114
07.99 to 06.30.00	336 warrants exchanged corresponding to 112 shares	FRF 300 + Premium of FRF 180	FRF 890,467,800	2,968,226
07.00 to 06.30.01	662,301 warrants exchanged corresponding to 220,767 shares	FRF 300	FRF 956,697,900	3,188,993
	Conversion of the nominal value to €45.75 using FRF 319,944 from the legal reserve	+ Premium of FRF 180	€145,896,429.75	3,188,993
01.18.06	Division by 3 of the nominal value of the share from €45.75 to €15.25	€15.25	Without modification	9,566,979
07.03.06	3,824,878 shares issued to remunerate partial contribution of assets made by the company Limagrain Agro-Industrie	€15.25	€204,225,819.25	13,391,857
04.13.10	3,826,244 new shares issued, with pre-emptive Shareholder rights	€15.25	€262,576,040.25	17,218,101
01.21.13	Creation of 1,721,810 shares by the allotment of free shares	€15.25	€288,833,642.75	18,939,911
01.19.15	Creation of 1,893,991 shares by the allotment of free shares	€15.25	€317,717,005.50	20,833,902
01.21.19	Creation of 2,083,390 shares by the allotment of free shares	€15.25	€349,488,703	22,917,292

On the date of the opening and closing of fiscal year 2021-2022 (on July 1, 2021 and on June 30, 2022 respectively), Vilmorin & Cie's capital stock stood at 349,488,703 euros divided up into 22,917,292 shares.

7.2.1.4. MODIFICATIONS OCCURRING IN THE BREAKDOWN OF THE CAPITAL STOCK OVER THE LAST THREE FISCAL YEARS

	06.30.20			06.30.21			06.30.22		
	Number of shares	% of capital	% of total number of voting rights	Number of shares	% of capital	% of total number of voting rights	Number of shares	% of capital	% of total number of voting rights
Groupe Limagrain Holding	14,339,471	62.57%	72.04%	13,450,186	58.69%	69.82%	13,450,186	58.69%	69.65%
Limagrain	1,376,600	6.01%	6.78%	1,376,600	6.01%	7.00%	1,486,686	6.49%	7.41%
Sélia	1,675,673	7.31%	7.10%	1,256,054	5.48%	5.15%	1,265,600	5.52%	5.27%
Treasury shares	6,423	0.03%	-	9,045	0.04%	-	8,075	0.04%	-
Groupe Limagrain	17,398,167	75.92%	85.92%	16,091,885	70.22%	81.98%	16,210,547	70.74%	82.34%
Bpifrance Participations	-	-	-	1,308,904	5.71%	3.40%	1,308,904	5.71%	3.39%
Public	5,519,125	24.08%	14.08%	5,516,503	24.07%	14.62%	5,397,841	23.55%	14.27%
Total	22,917,292	100.00%	100.00%	22,917,292	100.00%	100.00%	22,917,292	100.00%	100.00%

7.2.2. NOTIFICATION OF CROSSING THE THRESHOLD

Any physical or moral person, acting alone or with others, who goes above, or back under, the threshold of 3% of the capital stock or voting rights or any multiple of this percentage, is required to inform the Company (decision of the General Meeting of July 22, 1993). The conditions under which the Company should be informed are laid down in article 12 of the by-laws.

If such conditions are not respected, any shares above this threshold and which should have been declared, are deprived of voting rights under conditions laid down by the law, if one or several holders of shares to the value of 5% or more of the capital stock so request in the minutes of the General Meeting.

At the same time, and with the aim of monitoring the composition of its Shareholders, the Company is authorized to make full use of legal recommendations for the identification of holders of shares which grant immediate or subsequent voting rights in its own Shareholders' meetings.

No further declaration has been brought to the attention of Vilmorin & Cie.

7.2.3. FINANCIAL AUTHORIZATIONS GRANTED BY THE ANNUAL GENERAL MEETING OF DECEMBER 10, 2021

In order to provide Vilmorin & Cie with the necessary means to ensure its future development, particularly internationally, the Annual General Meeting of December 10, 2021 authorized the Board of Directors:

- to issue bonds or other assimilated debt securities (eleventh resolution),
- to issue, with or without pre-emptive subscription rights, shares and/or securities providing access immediately and/or when due, to Company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or debt securities (sixteenth and seventeenth resolutions).

The Annual General Meeting of December 11, 2020 also authorized the Board of Directors to issue, without pre-emptive subscription rights, ordinary shares and/or securities providing access immediately and/or when due, to Company shares or shares in a company in which it directly or indirectly holds more than half of the capital stock, as part of an offer governed by paragraph 1 of article L.411-2 of the French Monetary and Financial Code (eighteenth resolution).

The total nominal amount of the issues provided for in the sixteenth, seventeenth and eighteenth resolutions may not exceed 500 million euros, as presented in the nineteenth resolution, or the equivalent of this amount in the event of an issue in a foreign currency or in a unit of account set by reference to several currencies.

7.3. VILMORIN & CIE'S SHARES

7.3.1. SHARE DATA SHEET

- Date of introduction to the second market of the Paris stock exchange: November 3, 1993.
- Listing market: Euronext Paris. Compartment A.
- Eligible for Deferred Settlement Order since February 26, 2008.
- ISIN code: FR 0000052516 (RIN).
- Indices: CAC Small, CAC Mid & Small and CAC All-Tradable.
- Eligible for PEA (share savings plan).
- ICB nomenclature sector: "Farming, Fishing, Ranching and Plantations."
- Number of shares: 22,917,292.
- Close of the fiscal year on June 30.

7.3.2. MANAGEMENT AND LIQUIDITY OF THE SHARES

Natixis ODDO BHF is responsible for running Vilmorin & Cie's liquidity contract.

This contract complies with the decision AMF 2021-01, which only marginally modifies the regulations in force since 2019.

Assets that appear on the liquidity account are:

- On the date the contract was signed:
 - number of shares: 5,660,
 - cash: 367,063.20 euros.
- On June 30, 2022:
 - number of shares: 8,075,
 - cash: 287,225.10 euros.
- Over the period from January 1, 2022 to June 30, 2022 there were:
 - 1,043 purchasing transactions,
 - 1,065 sales transactions.
- Over the same period, volumes exchanged represented:
 - 42,323 shares purchased for 1,895,274.50 euros,
 - 41,197 shares sold for 1,843,347.70 euros.

7.3.3. PERFORMANCE OF THE SHARES

Fiscal year 2021-2022 ended in an environment of high volatility in the financial markets.

Several factors amplified investors' lack of visibility, not least the Russia-Ukraine conflict, which caused a global energy and agricultural crisis resulting in a sharp rise in the price of gas and electricity, as well as agricultural commodities. This crisis has amplified inflation – reaching a record level of 10% in September in the euro zone – and controlling it has become the priority objective of central banks. In May 2022, the central banks began to raise their key rates for the first time in more than 10 years in the United States and then in Europe: a change in monetary policy which led to a rise in bond yields and a sharp fall in the stock markets.

In addition, climate change, which has particularly affected Europe in 2022, and more generally all regions of the world, is now a structural concern for the markets.

The combination of these factors has greatly destabilized the traditional rules of financial management on the part of investors.

Independently of the profitable nature of its business and the resilience of its development model, Vilmorin & Cie's share price has been affected by a lack of visibility on the financial markets.

As a result, at the end of fiscal year 2021-2022, the Company's shares were down nearly 40% over 1 year.

7.3.3.1. EVOLUTION OF THE QUOTED PRICE OF VILMORIN & CIE'S SHARES IN RELATION TO THE CAC 40 AND SBF 120 INDICES

From the introduction to the French stock market in 1993 until October 3, 2022



• TSR⁽¹⁾ over 15 years : -15.93%

• TSR⁽¹⁾ over 1 year : -20.06%

Over the past ten years (from October 3, 2012 until October 3, 2022)



• TSR⁽¹⁾ over 10 years : -27.08%

(1) Evolutions on October 3, 2022, calculated on the basis of a reinvestment in shares of dividends received, and taking into account the free allotments of shares made by the Company. Sources: Natixis and internal.

7.3.3.2. SHARE SCORECARD⁽¹⁾

	19-20	20-21	21-22
Daily average of transactions			
> number of shares	8,763	6,741	6,672
> thousands of euros	385.69	356.69	329.89
Maxima and minima⁽²⁾			
> highest rate	51.10	62.70	59.30
> lowest rate	35.20	43.65	39.80
Closing rate of the fiscal year in euros⁽²⁾	47.15	56.00	40.25
Yield per share as a %⁽³⁾	2.12%	2.86%	3.98%
PER⁽⁴⁾	16.3	13.9	10.0

(1) Historical data.

(2) Closing rates.

(3) Amount of dividend distributed in fiscal year N, in proportion to the final rate for fiscal year N.

(4) PER (Price Earning Ratio): ratio of the final rate for the fiscal year to the earnings per share.

7.3.3.3. QUANTITIES EXCHANGED AND EVOLUTION OF RATES OVER THE LAST 18 MONTHS⁽¹⁾

Date	Number of shares exchanged	Capital stock exchanged (M€)	Highest recorded rate (€) ⁽²⁾	Lowest recorded rate (€) ⁽²⁾
2021				
April	98,449	5.75	60.60	56.00
May	193,650	11.579	62.60	57.00
June	102,185	5.843	59.40	56.00
July	112,243	6.368	59.30	55.20
August	174,255	9.422	57.00	52.50
September	91,395	4.796	54.00	50.80
October	130,322	7.212	57.30	51.50
November	185,503	10.509	58.50	54.00
December	102,927	5.546	55.70	52.30
2022				
January	115,143	5.993	54.80	50.00
February	117,142	5.775	51.80	46.15
March	267,351	11.313	46.65	39.80
April	108,606	4.787	45.15	43.20
May	128,362	5.544	44.70	41.45
June	194,912	8.175	45.55	40.25
July	208,862	8.379	42.00	39.10
August	147,098	6.445	45.80	40.25
September	107,517	4.491	43.60	39.10

(1) Historical data.

(2) Closing rates (in euros).

Source: Euronext.

A first increase in the capital stock by the free allotment of shares at a rate of one new share for ten existing shares held was launched in January 2013. The share price was mechanically divided by 1.10 as of this date.

A second capital stock increase through the free allotment of shares at the rate of one new share for ten existing shares was made in January 2015. The share price was thus divided by 1.10 as of this date.

A third capital stock increase through the free allotment of shares at the rate of one new share for ten existing shares was made in January 2019. The share price was thus divided by 1.10 as of this date.

7.3.3.4. INTERVENTIONS OF THE COMPANY WITH REGARD TO ITS TREASURY SHARES

The Annual General Meeting of December 10, 2021, in compliance with the provisions of articles L.225-209 et seq. of the French Commercial Code, of Title IV of Book II of the General Regulations of the *Autorité des Marchés Financiers*, as well as European Regulation No. 596/2014 of April 16, 2014, supplemented by the Commission's Delegated Regulation (EU) No. 2016-1052 of March 8, 2016, granted the Board of Directors, in the tenth resolution, the powers to intervene by purchasing or selling its own treasury shares on the stock market at a maximum price of 80 euros per share, with the number of shares thus acquired being limited to a ceiling of one million shares, representing a maximum potential commitment of 80 million euros. This purchasing program is authorized for a maximum period of 18 months

During fiscal year ending on June 30, 2022, the Company conducted, either directly or indirectly, the following operations:

- number of shares purchased: 75,353,
- average purchasing price: 49.10 euros,
- number of shares sold: 76,323,
- average selling price: 49.69 euros,
- number of treasury shares held on June 30, 2022: 8,075 corresponding to less than 0.04% of the capital stock, at a purchasing price of 341,099.07 euros, which is an average unit price of 42.24 euros.

It is proposed to the Annual General Meeting of December 9, 2022 to authorize the Board of Directors, for a maximum period of 18 months, to buy or to sell treasury shares in compliance with the provisions of article L225-209 et seq. of the French Commercial Code, with the aim of:

- ensuring the liquidity of transactions and managing the share market through an investment service provider acting independently through a liquidity contract in accordance with the AMAFI deontology charter approved by the AMF (French Securities Regulator),
- handing over shares when rights are exercised to convert securities that give access in any way, either immediately or at a future date, to Company shares,
- exercising any other practice which might be accepted or recognized legally or by the *Autorité des Marchés Financiers* or any other objective that complies with regulations in force.

These operations will be carried out in compliance with regulations in force and in the following conditions:

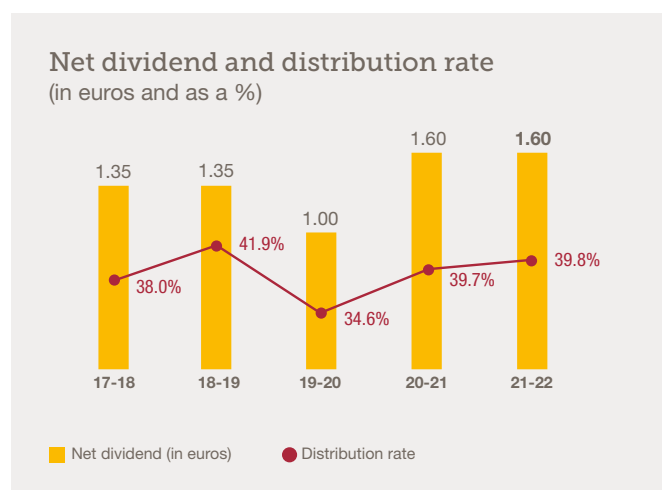
- the maximum purchasing price is fixed at 80 euros per share,
- the maximum quantity of shares liable to be purchased is fixed at two million shares up to a maximum potential commitment of 80 million euros.

7.3.4. DIVIDENDS

7.3.4.1. DIVIDENDS OVER THE LAST FIVE FISCAL YEARS AND DISTRIBUTION POLICY⁽¹⁾

The dividend distribution policy, defined by the Board of Directors, is based on an analysis that takes into account, in particular, the Company's dividend history, financial position and results. The net dividend per share proposed to the General Meeting of December 9, 2022 is 1.60 euros per share. Constant in nominal value compared to the previous year, this dividend confirms Vilmorin & Cie's intention to pursue its policy to distribute profits, in spite of a highly disturbed general context. This dividend corresponds to a stable pay-out rate compared to 2021, at 39.8%.

If this dividend is approved, it will be detached from the share on December 13, 2022 and will be paid on December 15, 2022.



	17-18	18-19	19-20	20-21	21-22
Number of shares receiving dividend	20,829,136	22,909,261	22,913,204	22,917,292	22,917,292 ⁽²⁾

(2) The number of treasury shares held at the date the dividend is detached should be deducted from this figure.

(1) Historical data not restated for allotments of free shares (three capital stock increases through the allotment of free shares with one new share for every ten existing shares took place in January 2013, January 2015 and January 2019. The share price was mechanically and successively divided by 1.10 as of these three dates).

7.3.4.2. TAX REGULATIONS (ON SEPTEMBER 14, 2022)

DIVIDENDS CLAIM LIMIT

The legal limit is five years from the date when the dividend payment claimant is informed, or should have been informed, of the facts enabling him or her to make the claim. After this date, unclaimed dividends are paid to the State.

FRENCH RESIDENTS

Dividends received by individuals who are tax residents of France are automatically subject to the single flat-rate withholding tax at a rate of 12.8% and to social security contributions at a rate of 17.2%, i.e. an overall tax rate of 30%.

At the taxpayer's request, dividends may be subject to the progressive income tax scale after application of a 40% allowance, if applicable. In addition, dividends will be subject to social security contributions at a rate of 17.2%.

Tax is carried out in two stages.

When dividends are paid out, the following are deducted at source:

- an income tax prepayment of 12.8%,
- social security contributions.

The following year, when income is declared, dividends are submitted to the single flat-rate or the income tax scale and the amounts withheld when the dividends are paid are deducted from the tax due or refunded in the event of an excess.

By way of exception, and at the taxpayer's request, individuals belonging to a tax household whose reference tax income for the penultimate year is less than 50,000 euros (for single, widowed or divorced persons) or 75,000 euros (for persons subject to joint taxation) may be exempt from the income tax prepayment.

NON-FRENCH RESIDENTS

Dividends received by individual non-French resident Shareholders have tax withheld at source, the rate of which varies as follows:

- 12.8% for dividends received by individuals who are not tax residents in Non-Cooperative States or Territories (NCSTs),
- 75% for dividends received by individuals who are tax residents in Non-Cooperative States or Territories.

This withholding of tax is definitive in France and is usable in principle for a tax credit in the country of residence of the person receiving the distributed revenues.

Nevertheless, in cases where an international convention is applicable, the amount withheld may be reduced, or even not applied at all.

7.3.5. SERVICING OF THE SHARES

Vilmorin & Cie mandated BNP Paribas Securities Services for its financial servicing. For the servicing of the shares, please contact:

BNP Paribas Securities Services
Les Grands Moulins de Pantin
CTS – Service relations actionnaires
9, rue du Débarcadère
93761 Pantin Cedex - France

Tel:

- from France: 0 826 109 119
(Service 0.15 €/min + price of the call)
- from other countries: +33 155 774 057

Fax : +33 155 773 417

This service is available every working day from 8.45 am until 6 pm (French times).

www.planetshares.bnpparibas.com

The website has a contact form for holders of registered shares.

7.4. RELATIONS WITH SHAREHOLDERS

7.4.1. KEEPING IN TOUCH

Since its introduction to the stock market in 1993, Vilmorin & Cie has done all it can to be as precise, reliable and transparent as possible on its strategy and development perspectives, taking the expectations of its different financial partners into consideration.

7.4.1.1. INFORMATION AVAILABLE TO ALL THE FINANCIAL COMMUNITY

Every year, Vilmorin & Cie produces several tools for the purpose of the Company's Shareholders and the financial community in general.

ANNUAL REPORT

This annual report is available both in French and in abridged form in English on Vilmorin & Cie's website. It is updated, at least once, at the time of the disclosure of the half-yearly financial statements.

THE WEBSITE

All the information published by Vilmorin & Cie is available at [**www.vilmorincie.com/en**](https://www.vilmorincie.com/en)⁽¹⁾. The website, available in English and French, allows you to stay connected to the Company's news. It aims to inform the financial community about Vilmorin & Cie's financial performances, but also about its business, strategy, prospects and news. In addition to regulatory financial information and with the aim of always better meeting the expectations of each audience, the site offers content dedicated to journalists, analysts and institutional investors or individual Shareholders.

These include, for example, presentations by the Company, the evolution of Vilmorin & Cie's share price, financial presentations, press kits, letters to shareholders, and videos illustrating activities etc. The site also offers the possibility to listen to streams of commented presentations of sales figures and results.

Finally, anyone interested in the life of the Company can subscribe to receive free press releases and disclosures by e-mail. This alert system is accessible from the home page of the website by filling out a registration form.

7.4.1.2. RELATIONS WITH ANALYSTS, INSTITUTIONAL INVESTORS AND THE PRESS

In fiscal year 2021-2022, five analyst companies followed the share value: CM-CIC Market Solutions, Kepler Cheuvreux, Gilbert Dupont, ODDO BHF Corporates & Markets and Portzamparc.

INFORMATIONAL MEETINGS AND SITE VISITS

Four informational meetings held for investors, analysts and journalists were organized in 2021-2022 concurrently with the disclosure of the results for the fiscal year and the first semester. Replays of these meetings are available on the Vilmorin & Cie website in the section Publications/Presentations, webcasts and financial analysis at: [**https://www.vilmorincie.com/en/archives/publications-en/presentations-webcasts-and-financial-analysis/**](https://www.vilmorincie.com/en/archives/publications-en/presentations-webcasts-and-financial-analysis/)⁽¹⁾

Once a year Vilmorin & Cie organizes a visit to its facilities, in France or abroad, for analysts and journalists. This year it took place in Italy, in the region of Salerno, in conjunction with the vegetable seeds Business Units HM.CLAUSE and Vilmorin-Mikado.

TELEPHONE CONFERENCES

In 2021-2022, Vilmorin & Cie organized three conference calls and presentations on the occasion of the disclosure of quarterly sales figures. The commented (French) presentations can be consulted on Vilmorin & Cie's website in the section Publications/Presentations, webcasts and financial analysis, at: [**https://www.vilmorincie.com/en/archives/publications-en/presentations-webcasts-and-financial-analysis/**](https://www.vilmorincie.com/en/archives/publications-en/presentations-webcasts-and-financial-analysis/)⁽¹⁾

MEETINGS WITH INVESTORS

In 2021-2022, Vilmorin & Cie met 59 investors over 17 meetings (roadshows, phone contacts, etc.).

PRESS KIT

The press kit for journalists is sent out at the time of the Company's main financial disclosures.

MEMBERSHIP OF CLIFF

Vilmorin & Cie has been a member of CLIFF, the French professional association of investor relations, since 2015.

(1) The information appearing on the Vilmorin & Cie website does not form an integral part of the present document, unless it is incorporated by reference.

7.4.1.3. RELATIONS WITH INDIVIDUAL SHAREHOLDERS

Vilmorin & Cie is concerned to maintain a healthy balance between private and institutional Shareholders. For this purpose, the Company takes specific action in favor of individual Shareholders. On June 30, 2022, the total number of individual Shareholders of either nominative or bearer shares stood at almost 13,000.

PUBLICATIONS

Letters to the Shareholders

Three issues were published during this fiscal year. They can be consulted in French, like all the previous issues, on the Company's website, in the section Actionnaires Individuels/Publications, at <https://www.vilmorincie.com/fr/actionnaires-individuels/publications/>⁽¹⁾

In November 2020, Vilmorin & Cie added a new dimension to its communication by launching the letter to shareholders in digital format (in French). This evolution allows access to more content directly online. To receive it by email, all you have to do is subscribe by filling in the form on the home page of the website: www.vilmorincie.com/en/⁽¹⁾.

The letter to shareholders deals in particular with financial results, development prospects and stock market information, and includes a feature article that sheds light on Vilmorin & Cie's strategy.

During the fiscal year, after a focus on the strategic foundations of Vilmorin & Cie in November 2021, a special report on Ukraine-Russia was published in July 2022, following the emergence of the conflict. This analysis presented the impact of this war on the company's performance and its macroeconomic and geopolitical consequences.

Finally, every year in January, Vilmorin & Cie publishes a special Annual General Meeting letter, which gives an account of the highlights of this event.

The Shareholder's Guide

Every year Vilmorin & Cie publishes a Shareholder's Guide in French, the content of which is more concise than the annual report. Apart from a presentation of the Company's activity and strategy and the evolution of the share on the stock market, it presents five good reasons for becoming a Vilmorin & Cie Shareholder. It is available in digital format on the Company's website, in the section Actionnaires Individuels/Publications, at <https://www.vilmorincie.com/fr/actionnaires-individuels/publications/>⁽¹⁾ and is also available on request from the Company's finance department.

MEETINGS

Shareholders' meetings

After an interruption in physical meetings during the period of the health crisis, Vilmorin & Cie resumed its cycle of regional shareholder meetings during fiscal year 2021-2022. The Company met its shareholders at a meeting in Lyon in June. On this occasion, the Financial Communication and Individual Shareholder Relations team presented the Company and its shareholding policy, before exchanging views with the participants.

Vilmorin & Cie will continue these privileged moments of exchange during fiscal year 2022-2023. They provide an opportunity to present the Company, its activities, its business and its strategy, and to answer many questions.

Vilmorin & Cie also took part in the second edition of the *BoursoLive Les Rencontres* e-show, organized by Boursorama. For two days, individual shareholders were able to find out more about the Company through the documentation made available to them on the virtual stand, through privileged exchanges with the Financial Communication team, and through a live thematic conference.

Annual General Meeting

Vilmorin & Cie's Annual General Meeting, a highlight in its relations with its Shareholders, is a time of listening and exchanging with the Board, shared between Vilmorin & Cie and its Shareholders. The latter can thus participate actively in the group's important decisions by voting, whatever the number of shares held.

Shareholders have the possibility to vote on the Internet, before the Annual General Meeting, on the VOTACCESS secure voting platform. Those who so wish can also benefit from an electronic notification, i.e. to receive their invitation to attend the Annual General Meeting by e-mail.

The Annual General Meeting deliberating on the annual financial statements for 2021-2022 will take place on December 9, 2022. Detailed information concerning the Annual General Meeting is presented on page 255, paragraph 7.1.9.

The Consultative Committee for Shareholders

The Consultative Committee for Shareholders (CCS) was formed in the spring of 2010 with the objective of contributing to the development strategy for individual Shareholders. It makes proposals to Vilmorin & Cie on the expectations of individual Shareholders and thus on improving financial communication.

The duration of the mandate for individual Shareholder members on the Committee is two years, and they may be re-elected twice.

During fiscal year 2021-2022, Vilmorin & Cie's CCS welcomed a new member representing the reference Shareholder Limagrain in its capacity as Board Member.

At the same time, and in the context of the partial renewal of this Committee, Vilmorin & Cie integrated two new individual Shareholder members. Recruitment was based on applications received following the call for applications published in the Letters to the Shareholders of November 2021 and January 2022, as well as on the Company's website.

On June 30, 2022, the Committee comprised:

- Six members representing individual Shareholders:
 - Alain BALESDENT (Île-de-France – 93),
 - Béatrice BLUNTZER (Alsace – 68),
 - Claire CHARMETTE (Île-de-France – 92),
 - Pascale DEVERAUX (Auvergne-Rhône-Alpes – 69),
 - Michel GUÉRILLOT (Normandie – 61),
 - Jean-Claude PETIT (Hauts-de-France – 59).
- Two Board Members from Limagrain:
 - Marielle BOILE,
 - Xavier CHOCHÉYRAS.

It is managed by:

- Vilmorin & Cie's Chief Financial Officer: Anthony CARVALHO,
- the financial communication team: Edouard ROCHE, Head of Financial Communication and Investor Relations, Camille CUGNET, Financial Communication and Individual Shareholder Relations Officer, and Marine CERCY, Financial Communication Officer.

Over fiscal year 2021-2022, three Committee meetings were held: two via video conference and one in physical presence, last June, at Vilmorin & Cie's head office in Paris. On this occasion, the Committee attended a presentation by Natixis ODDO BHF on the management of Vilmorin & Cie's liquidity contract.

As every year, the Committee's work has helped to make recommendations on communications devoted to individual Shareholders (communication materials, Annual General Meeting, trade fairs and digital communication for individual Shareholders etc.) and to exchange on topics concerning the Company's strategy and perspectives.

Membership of the Individual Investors' Federation and Investment Clubs (F2IC)

Vilmorin & Cie has been an active member of the Individual Investors' Federation and Investment Clubs (F2IC) since 2005. It participates in shareholder meetings organized by the Federation, and also distributes its letters to Shareholder investment clubs.

7.4.2. DOCUMENTS ACCESSIBLE

The historical financial information, previous annual reports, Letters to the Shareholders (in French), the documents of the General Shareholders' Meeting (notice to attend, minutes) and the documents concerned by "regulated information" within the scope of Article 221-1 of the General Regulations of the *Autorité des marchés financiers* (in particular press releases, half-yearly and annual information) may be consulted on the Vilmorin & Cie website: <https://www.vilmorincie.com/en/archives/publications-en/>⁽¹⁾.

The Company's by-laws are also available on Vilmorin & Cie's website, in the section Publications.

7.4.3. SCHEDULED AGENDA FOR 2022-2023

The dates are provided as an indication and are subject to modification

November 8, 2022	Disclosure of sales at the end of the 1 st quarter ⁽¹⁾
December 9, 2022	Annual General Meeting of Shareholders
December 13, 2022	Detachment of the dividends
December 15, 2022	Payment of the dividends
February 28, 2023	Disclosure of sales and results for the 1 st semester ⁽¹⁾
May 3, 2023	Disclosure of sales at the end of the 3 rd quarter ⁽¹⁾
July 31, 2023	Disclosure of sales for the fiscal year ⁽¹⁾
October 11, 2023	Disclosure of results for the fiscal year ⁽¹⁾

(1) Disclosure after trading on the Paris stock market.

7.4.4. CONTACTS

- Anthony CARVALHO, Chief Financial Officer
- Édouard ROCHE, Head of Financial Communication and Investor Relations
- Camille CUGNET, Financial Communication and Individual Shareholder Relations Officer
- Marine CERCY, Financial Communication Officer

E-mail: contact@diffusion.vilmorincie.com

Tel: +33 (0)4 73 63 40 08

www.vilmorincie.com⁽¹⁾

(1) The information appearing on the Vilmorin & Cie website does not form an integral part of the present document, unless it is incorporated by reference.



8. COMBINED ANNUAL GENERAL MEETING OF DECEMBER 9, 2022

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8.1. AGENDA

Draft resolutions of an ordinary nature

FIRST RESOLUTION

Approval of the annual corporate financial statements - approval of non-tax-deductible expenses and charges

SECOND RESOLUTION

Regulatory agreements

THIRD RESOLUTION

Appropriation of the profits

FOURTH RESOLUTION

Approval of consolidated financial statements for the fiscal year

FIFTH RESOLUTION

Fixing the compensation related to the activity of the Board Members for fiscal year 2021-2022

SIXTH RESOLUTION

Approval of the provisional appointment of a Board Member

SEVENTH RESOLUTION

Approval of the provisional appointment of a Board Member

EIGHTH RESOLUTION

Renewal of the term of office of a Board Member

NINTH RESOLUTION

Authorization given to the Board of Directors to allow the Company to buy back treasury shares within the framework of article L.22-10-62 of the French Commercial Code

TENTH RESOLUTION

Issue of bonds and other assimilated debt securities

ELEVENTH RESOLUTION

Decision on the components of the remuneration granted for fiscal year 2021-2022 to the Chairman and CEO

TWELFTH RESOLUTION

Approval of the compensation policy applicable to corporate officers

THIRTEENTH RESOLUTION

Approval of information concerning the compensation of corporate officers as mentioned in I of article L.22-10-9 of the French Commercial Code

FOURTEENTH RESOLUTION

Approval of the fixed and variable components of total compensation and benefits of any kind paid or allocated up until October 13, 2021 to Daniel JACQUEMOND, Delegate CEO

FIFTEENTH RESOLUTION

Approval of the fixed and variable components of total compensation and benefits of any kind paid or allocated as of October 13, 2021 up until June 30, 2022 to Franck BERGER, Delegate CEO

Draft resolutions of an extraordinary nature

SIXTEENTH RESOLUTION

Delegation of authority to issue, **with** pre-emptive subscription rights, ordinary shares and/or securities providing access, immediately and/or when due, to Company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or debt securities in particular such as bonds with an option of conversion and/or exchange for new or existing shares

SEVENTEENTH RESOLUTION

Delegation of authority to issue, **without** pre-emptive subscription rights by public offer, of ordinary shares and/or securities providing access immediately and/or when due, to Company shares or shares in a company in which it directly or indirectly holds more than half the capital stock, or debt securities in particular such as bonds with an option of conversion and/or exchange for new or existing shares

EIGHTEENTH RESOLUTION

Delegation of authority to issue, without pre-emptive subscription rights, ordinary shares and/or securities providing access immediately and/or when due, to the Company's capital stock or the capital stock of a company in which it directly or indirectly holds more than half the capital stock, by private placement as defined in the first paragraph of article L.411-2 of the French Monetary and Financial Code

NINETEENTH RESOLUTION

Global limit of the total amount to be issued

TWENTIETH RESOLUTION

Delegation of authority given to the Board of Directors to increase the capital stock by issuing ordinary shares and/or securities providing access to the capital stock, without pre-emptive rights, to participants in the Company savings plan, pursuant to articles L.3332-18 et seq. of the French Labor Code

Draft resolution of an ordinary nature

TWENTY-FIRST RESOLUTION

Delegation of powers to carry out corporate formalities

8.2. DRAFT RESOLUTIONS OF AN ORDINARY NATURE

FIRST RESOLUTION

APPROVAL OF THE ANNUAL CORPORATE FINANCIAL STATEMENTS - APPROVAL OF NON-TAX-DEDUCTIBLE EXPENSES AND CHARGES

After acknowledging the reports of the Board of Directors and the Statutory Auditors on the annual financial statements, the Annual General Meeting (AGM) approves the corporate financial statements for the fiscal year closing on June 30, 2022 as presented to the meeting, and the general running of the Company as described in the above-mentioned financial statements and reports, and also approves the non-deductible expenses for income taxes governed by article 39-4 of the French Tax Code.

SECOND RESOLUTION

REGULATORY AGREEMENTS

The AGM acknowledges the presentation of the special report of the Statutory Auditors on operations governed by article L.225-38 of the French Commercial Code mentioning the absence of any new agreements of the kind governed by this article.

THIRD RESOLUTION

APPLICATION OF THE PROFITS

The AGM, following the proposal of the members of the Board of Directors, decides to apply the profits of 44,726,071.45 euros in the following manner:

Application to legal reserve:	2,236,303.57 euros
Dividends to distribute:	36,667,667.20 euros
Application of the amount to carry forward:	5,822,100.68 euros

After this application, the final amount to carry forward will be 26,967,078.94 euros.

The Company does not benefit from the distribution of dividends on any treasury shares it holds. Any dividends corresponding to these shares will be added to the retained earnings to carry forward.

The dividend is fixed at 1.60 euros per share.

The AGM decides that the dividends will be detached on December 13, 2022 and will be paid on December 15, 2022.

In compliance with the provisions of article 243 bis of the French Tax Code, the AGM notes that it has been reminded that for the last three fiscal years, dividends and income were distributed as follows:

Fiscal year	Income eligible for tax credit		Income not eligible for tax credit
	Dividends	Other distributed income	
2018-2019	€30,938,344.20* i.e. €1.35 per share	-	-
2019-2020	€22,917,292.00* i.e. €1.00 per share	-	-
2020-2021	€36,667,667.20* i.e. €1.60 per share	-	-

* Including the amount of unpaid dividend corresponding to treasury shares and carried forward.

FOURTH RESOLUTION

APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR

After acknowledging the reports of the Board of Directors and the Statutory Auditors on the consolidated financial statements, the AGM approves the consolidated financial statements for the fiscal year closing on June 30, 2022 as presented to the meeting, and the general running of the group of consolidated companies as described in the above-mentioned financial statements and reports.

FIFTH RESOLUTION

FIXING THE COMPENSATION RELATED TO THE ACTIVITY OF THE BOARD MEMBERS FOR FISCAL YEAR 2021-2022

After acknowledging the report of the Board of Directors, the AGM decides, in compliance with article 23 of the by-laws, to fix the compensation related to the activity of the Board Members for fiscal year 2021-2022 at 49,440 euros.

SIXTH RESOLUTION

APPROVAL OF THE PROVISIONAL APPOINTMENT OF A BOARD MEMBER

After acknowledging the report of the Board of Directors, the AGM decides to approve the appointment, made provisionally by the Board of Directors at its meeting of March 1, 2022 as Board Member, of Monsieur Eric GRELICHE, for the remainder of his predecessor's term of office, i.e. until the end of the AGM called to deliberate on the financial statements for the fiscal year closing on June 30, 2023.

SEVENTH RESOLUTION

APPROVAL OF THE PROVISIONAL APPOINTMENT OF A BOARD MEMBER

After acknowledging the report of the Board of Directors, the AGM decides to approve the appointment, made provisionally by the Board of Directors at its meeting of March 1, 2022 as Board Member, of Monsieur Pierre-Antoine RIGAUD, for the remainder of his predecessor's term of office, i.e. until the end of the AGM called to deliberate on the financial statements for the fiscal year closing on June 30, 2024.

EIGHTH RESOLUTION

RENEWAL OF THE TERM OF OFFICE OF A BOARD MEMBER

After acknowledging the report of the Board of Directors, the AGM, decides to renew the term of office as independent Board Member, of Madame Marie-Yvonne CHARLEMAGNE, for the duration of three years, expiring at the end of the AGM of Shareholders called to deliberate on the financial statements closing on June 30, 2025.

NINTH RESOLUTION

AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO ALLOW THE COMPANY TO BUY BACK TREASURY SHARES WITHIN THE FRAMEWORK OF ARTICLE L.22-10-62 OF THE FRENCH COMMERCIAL CODE

After acknowledging the report of the Board of Directors, the AGM gives authorization to the Board of Directors, with the faculty of sub-delegation, in compliance with the provisions of article L.22-10-62 et seq. of the French Commercial Code, of Title IV, Book II of the General Regulation of the *Autorité des marchés financiers* (French Securities Regulator) and the European Regulation No. 596/2014 of April 16, 2014, supplemented by delegated regulation (EU) No. 2016-1052 of the commission

of March 8, 2016, to purchase or delegate the purchase of the Company's shares in order to:

- ensure liquidity and manage the market for shares through a fully independent investment service provider, with whom a liquidity contract has been signed in compliance with the Charter of Ethics of the AMAFI, recognized by the AMF (French securities regulator),
- hand over shares when an investor exercises his or her rights with regard to securities that provide access by whatever means, immediately or when due, to Company shares,
- apply any other measures that might be authorized or recognized by law or by the *Autorité des marchés financiers*, or set any other objective that complies with regulations in force.

The AGM fixes the maximum purchasing price at 80 euros per share, and fixes the maximum number of shares liable to be purchased at two million shares, up to a maximum amount of 80 million euros, on condition legal limits are also respected.

Shares may be acquired, sold or transferred at any moment, except during periods of public issue of the Company's capital stock, and by any means, on the regulated market, outside the market, by multilateral trading facilities, by private agreement, including through blocks of securities or bids, optional mechanisms, derivatives, call options or securities, respecting applicable regulatory conditions.

This authorization is granted for a period of eighteen (18) months commencing as of the date of this AGM, replacing the authorization granted by the AGM of December 10, 2021 regarding the unused proportion on this date.

The AGM grants full powers to the Board of Directors, with the faculty to delegate, to apply the present authorization, place an order on the stock market, sign any agreements, carry out any formalities and declarations with any organizations, and in more general terms, to do all that is required to implement the decisions it has taken with regard to the present authorization.

The Board of Directors shall inform the AGM of any operations carried out, in compliance with applicable regulations.

TENTH RESOLUTION

ISSUE OF BONDS AND OTHER ASSIMILATED DEBT SECURITIES

After acknowledging the report of the Board of Directors, the AGM delegates full authority to the Board of Directors to take decisions to proceed in one or several operations, at its own discretion, whether in France or another country and/or on international markets, in euros or any other currency or unit of account fixed in reference to several currencies, with the issue of bonds or other assimilated debt securities, with or without a public issue, up to the nominal value of 600 million euros or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies.

The Board of Directors may decide that the bonds, or other debt securities, will be of the perpetual floating or limited floating rate type, either for the capital stock and/or the interest accrued for these securities.

Full authority is granted to the Board of Directors to proceed with these issues in the limits fixed above, in compliance with legal provisions and with the by-laws, and in particular to:

- determine the period or periods of issue,
- determine the issue currency and the nominal value of the loan, within the limits authorized above,
- fix the terms and conditions of the bonds and/or debt securities to issue, and in particular their nominal value, their issue price, their fixed and/or variable rates of interest, the payment dates, and their fixed or variable redemption price, with or without premium,
- fix, according to market conditions, the duration and conditions of amortization for the loan,
- more generally sign any contract documents or agreements with any banks or institutes, make any provisions and fulfill any formalities concerning the issue, the quotation and the financial management of the aforementioned bonds and/or aforementioned debt securities, and constitute the body of bondholders in compliance with legal provisions, and in a general manner, do all that is required.

The Board of Directors will also have full powers to decide, where necessary, to attach a guarantee to the securities issued and, if this is the case, to define and grant this guarantee, and take any measures for this purpose.

Within the framework of this resolution, the Board of Directors may, in application of article L.228-40 of the French Commercial Code, delegate to its CEO, or with his agreement, to one or several Delegate CEOs, or to one of its members, the powers that it has received for the purpose of the present authorization.

The present authorization is given for a maximum duration of eighteen (18) months. It supersedes the authorization previously granted by the Ordinary AGM of December 10, 2021.

ELEVENTH RESOLUTION

DECISION ON THE COMPONENTS OF THE REMUNERATION GRANTED FOR FISCAL YEAR 2021-2022 TO THE CHAIRMAN AND CEO

After acknowledging the report of the Board of Directors, which states that the Chairman and CEO exercises his functions without any compensation, the AGM approves the absence of compensation granted for fiscal year 2021-2022 to the Chairman and CEO.

TWELFTH RESOLUTION

APPROVAL OF THE COMPENSATION POLICY APPLICABLE TO CORPORATE OFFICERS

The AGM, deliberating in compliance with conditions of quorum and majority required for Ordinary General Meetings of Shareholders, after acknowledging the report of the Board of Directors on corporate governance, pursuant to Article L.22-10-8 of the French Commercial Code, approves the compensation policy applicable to corporate officers as presented in the Company's annual report for 2021-2022 in Chapter 3. Report on Corporate Governance in the section "Fees or allowances paid to corporate officers and Board Members."

THIRTEENTH RESOLUTION

APPROVAL OF INFORMATION CONCERNING THE COMPENSATION OF CORPORATE OFFICERS AS MENTIONED IN I OF ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE

The AGM, deliberating in compliance with conditions of quorum and majority required for Ordinary General Meetings approves, pursuant to article L.22-10-34 of the French Commercial Code, the information referred to in I of article L.22-10-9 of the same Code which is included in the report of the Board of Directors on corporate governance as presented in the Company's annual report for 2021-2022 in Chapter 3 Report on Corporate Governance in the section "Fees or allowances paid to corporate officers and Board Members."

FOURTEENTH RESOLUTION

APPROVAL OF THE FIXED AND VARIABLE COMPONENTS OF TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED UP UNTIL OCTOBER 13, 2021 TO DANIEL JACQUEMOND, DELEGATE CEO

The AGM, deliberating in compliance with conditions of quorum and majority required for Ordinary General Meetings, after acknowledging the report of the Board of Directors on corporate governance, pursuant to Article L.22-10-34 of the French Commercial Code, approves the fixed and variable components making up the total compensation and benefits of all kinds attributable up until October 13, 2021 to Mr. Daniel JACQUEMOND, Delegate CEO, as presented in the Company's annual report for 2021-2022 in Chapter 3 Report in the section "Fees or allowances paid to corporate officers and Board Members," and on which the AGM of December 9, 2022 is called to vote.

FIFTEENTH RESOLUTION

APPROVAL OF THE FIXED AND VARIABLE COMPONENTS OF TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED AS OF OCTOBER 13, 2021 UP UNTIL JUNE 30, 2022 TO FRANCK BERGER, DELEGATE CEO

The AGM, deliberating in compliance with conditions of quorum and majority required for Ordinary General Meetings, after acknowledging the report of the Board of Directors on corporate governance, pursuant to Article L.22-10-34 of the French Commercial Code, approves the fixed and variable components making up the total compensation and benefits of all kinds attributable as of October 13 2021 up until June 30, 2022 to Monsieur Franck BERGER, Delegate CEO, as presented in the Company's annual report for 2021-2022 in Chapter 3 Report in the section "Fees or allowances paid to corporate officers and Board Members," and on which the AGM of December 9, 2022 is called to vote.

8.3. DRAFT RESOLUTIONS OF AN EXTRAORDINARY NATURE

SIXTEENTH RESOLUTION

DELEGATION OF AUTHORITY TO ISSUE, WITH PRE-EMPTIVE SUBSCRIPTION RIGHTS, ORDINARY SHARES AND/OR SECURITIES PROVIDING ACCESS, IMMEDIATELY AND/OR WHEN DUE, TO COMPANY SHARES OR TO SHARES IN A COMPANY IN WHICH IT DIRECTLY OR INDIRECTLY HOLDS MORE THAN HALF THE CAPITAL STOCK, OR DEBT SECURITIES IN PARTICULAR SUCH AS BONDS WITH AN OPTION OF CONVERSION AND/OR EXCHANGE FOR NEW OR EXISTING SHARES

After acknowledging the report of the Board of Directors and the special report of the Statutory Auditors, and in compliance with the provisions of articles L.225-129 et seq. of the French Commercial Code, and in particular articles L.225-129-2, L.228-91 to L.228-93, the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of Shareholders:

- delegates to the Board of Directors, for the duration of twenty-four (24) months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed – whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in euros or any other currency or unit of account fixed in reference to several currencies, **with pre-emptive Shareholder subscription rights** – with the issue of ordinary shares and/or securities providing access immediately and/or when due, to Company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by compensation of receivables. The present delegation can be used for one or several issues in application of article L.228-93 of the French Commercial Code.
Any preferential share and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation.
- decides that the nominal amount for any increases in the capital stock that are immediate and/or at a due date, and

that are liable to result from the present delegation cannot be greater than 300 million euros, to which may be added, where appropriate, and in compliance with applicable regulatory and legislative provisions, and with any contractual stipulations allowing for other cases of adjustment, the nominal amount of extra shares issued to preserve the rights of the bearers of securities that grant rights to the Company's shares, on condition that the global limit fixed in the nineteenth resolution be respected.

- decides that the securities issued providing access to ordinary shares in the Company may, in particular, consist in debt securities, or be associated to the issue of such securities.
In particular they may take the form of perpetual or non-perpetual floating rate notes, and be issued either in euros, or any other currency or unit of account fixed in reference to several currencies.
The nominal amount for any such issued debt securities shall not exceed 300 million euros or the equivalent of this sum if issued in a foreign currency at the date of the decision to issue.
- decides that in the conditions stipulated by law, the Shareholders may exercise their pre-emptive right to subscription, without reduction. Moreover, the Board of Directors may institute, for the benefit of the Shareholders, a pre-emptive subscription right with reduction which may be exercised proportionately to their rights and within the limit of the number requested.
If subscriptions without reduction, or where appropriate with reduction, have not absorbed all the issue of shares or securities providing access to the capital stock as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.
- decides that the Board of Directors may not, without prior authorization from the General Meeting of Shareholders, make use of this delegation of authority from the filing by a third party of a proposed takeover bid for the Company's shares until the end of the offer period.
- acknowledges that the present delegation gives full preference to bearers of securities issued that provide access to the Company's capital stock, if the Shareholders renounce their pre-emptive right to subscribe the ordinary shares to which these securities otherwise give the right.

- decides that stock purchase warrants in the Company may be issued either by subscription offers, or by free allotment to those who already hold shares.

Where autonomous stock subscription warrants are allocated free, the Board of Directors will be entitled to stipulate that any odd lots of allotment rights are not negotiable, and that the corresponding securities may be sold.

- grants full powers to the Board of Directors to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to be paid up, and the conditions in which these securities procure the right to ordinary shares in the Company, and to determine how, where relevant, they can be bought back on the stock market, how they can be cancelled and the possibility of suspending the exercise of rights to allocate ordinary shares associated to securities to be issued, and determine how to protect the interests of the holders of securities that, upon maturity, provide access to the capital stock, in compliance with legislative and regulatory provisions.
- decides, furthermore, that when securities for issue consist in, or are associated to, debt securities, the Board of Directors will also have full powers, with the faculty of sub-delegation, to decide whether they are perpetual or not, their remuneration, and, where relevant, mandatory or optional cases of suspension or non-payment of interest, their duration, the possibility of reducing or increasing the nominal value of the securities and other methods of issue and amortization.
- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the legal reserves required, and take all necessary measures, and reach any agreements to ensure the successful conclusion of the issues envisaged, and to record any capital increases that result from any issue made through this delegation, and modify the by-laws accordingly.
- finally, decides that this delegation supersedes any previous delegation with the same object, for any unused sums.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Ordinary General Meeting on how it has used the authorizations granted in this resolution.

SEVENTEENTH RESOLUTION

DELEGATION OF AUTHORITY TO ISSUE, **WITHOUT** PRE-EMPTIVE SUBSCRIPTION RIGHTS BY PUBLIC OFFER, OF ORDINARY SHARES AND/OR SECURITIES PROVIDING ACCESS IMMEDIATELY AND/OR WHEN DUE, TO COMPANY SHARES OR SHARES IN A COMPANY IN WHICH IT DIRECTLY OR INDIRECTLY HOLDS MORE THAN HALF THE CAPITAL STOCK, OR DEBT SECURITIES IN PARTICULAR SUCH AS BONDS WITH AN OPTION OF CONVERSION AND/OR EXCHANGE FOR NEW OR EXISTING SHARES

After acknowledging the report of the Board of Directors and the special report of the Statutory Auditors, and in compliance with the provisions of article L.225-129 et seq. of the French Commercial Code, and in particular articles L.225-129-2, L.22-10-51, L.22-10-52, L.228-91 to L.228-93, the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of Shareholders:

- delegates to the Board of Directors, for the duration of twenty-four (24) months, commencing as of the date of this AGM, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed – whether through a public issue or not, in one or several operations, in the proportion and at the time it deems most opportune, whether in France or another country, in euros or any other currency or unit of account fixed in reference to several currencies, **without pre-emptive Shareholder subscription rights** – with the issue of shares and securities providing access immediately or when due, to Company shares or to shares in a company in which it directly or indirectly holds more than half the capital stock, or to securities that give the right to the allotment of debt securities, and which may be subscribed to either in cash, or by compensation of receivables. The present delegation can be used for one or several issues in application of article L.228-93 of the French Commercial Code.
Any preferential shares and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation of authority.
- decides that the nominal amount for any increases in the capital stock that are immediate and/or at a due date, and that are liable to result from the present delegation, cannot be greater than 300 million euros, to which may be added, where appropriate, and in compliance with applicable regulatory and legislative provisions, and with any contractual stipulations allowing for other cases of adjustment, the nominal amount of extra shares issued to preserve the rights of the bearers of securities that grant rights to the Company's shares, on condition that the global limit fixed in the nineteenth resolution be respected.

- decides that the securities issued providing access to ordinary shares in the Company may, in particular, consist in debt securities, or be associated to the issue of such securities. In particular they may take the form of limited floating securities or not, perpetual or non-perpetual floating rate notes, and be issued either in euros, or any other currency or unit of account fixed in reference to several currencies.

The nominal global amount for any such debt securities issued within the framework of this delegation shall not exceed 300 million euros or the equivalent of this sum if issued in a foreign currency at the date of the decision to issue.

- acknowledges that the present delegation gives full preference to others if the Shareholders renounce their pre-emptive right to subscribe the ordinary shares in the Company to which these securities, on the basis of this delegation, otherwise give the right.
- decides to cancel pre-emptive subscription rights of Shareholders to securities concerned by this resolution, while granting the Board of Directors the powers to institute, for the benefit of the Shareholders, a pre-emptive subscription right, with or without reduction which does not grant the right to the creation of negotiable rights.
- decides that the issue price of the new shares issued will at least be equal to the minimum set in regulatory provisions applied on the date of issue, which today is the weighted average of the quoted price of the Company's shares for the last three sessions of the Euronext Paris stock market preceding the date on which this price is fixed, reduced where necessary by the maximum discount of 5% stipulated by legislation in force.
- decides that the Board of Directors will be responsible, with the faculty of sub-delegation, for fixing the issue price of ordinary shares or securities granting the right to the Company's capital stock.
- decides that if the subscriptions of Shareholders and the public have not absorbed all the issue of shares or securities as defined above, the Board of Directors may, in any order it may consider to be efficient, make use of the faculties offered by article L.225-134 of the French Commercial Code, and in particular the faculty of proposing to the public all or part of the unsubscribed shares or securities.
- decides that the Board of Directors may not, without prior authorization from the AGM, make use of this delegation of authority from the filing by a third party of a proposed takeover bid for the Company's shares until the end of the offer period.
- grants full powers to the Board of Directors to implement this delegation, with the faculty of sub-delegation, and in compliance with legislation, and in particular with the possibility of determining the dates and methods of issues, and the forms and characteristics of the securities to be created, to decide on the prices and conditions of the issues, to fix the amount

to issue and the date of entitlement, albeit retroactive, of the securities to be issued, to determine how the ordinary shares or other issued securities are to be paid up, and the conditions in which these securities procure the right to ordinary shares in the Company, and to determine how, where relevant, they can be bought back on the Paris stock market, how they can be cancelled and the possibility of suspending the exercise of rights to allot ordinary shares associated to securities to be issued, and determine how to protect the interests of the holders of securities that, upon maturity, provide access to the capital stock, in compliance with legislative and regulatory provisions.

- decides, furthermore, that when securities for issue consist in, or are associated to debt securities, the Board of Directors will have full powers, with the faculty of sub-delegation, to decide whether they are perpetual or not, their remuneration, and, where relevant, mandatory or facultative cases of suspension or non-payment of interest, their duration, the possibility of reducing or increasing the nominal value of the securities and other methods of issue and amortization.

When securities for issue consist in, or are associated to, debt securities, the Board will decide whether they are subordinated or not, will fix their rate of interest and how this interest is to be paid, whether they are perpetual floating or not, their fixed or variable price of redemption, with or without premium, the possibility of reducing or increasing the par value of the securities, and all other methods of issue and amortization according, in particular, to market conditions and the conditions in which these securities grant the right to shares in the Company. Where appropriate, the securities to be issued may be associated with warrants granting the right to the allotment, acquisition or subscription of bonds or other debt securities, or may stipulate that the Company may issue debt securities, whether fungible treasury bonds or not, to pay for interest that has been suspended by the Company, or take the form of complex bonds as defined by the stock market authorities.

The Board of Directors may decide, during the life cycle of the securities concerned, to modify the provisions presented above, on condition that applicable formalities are respected.

- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the amount required for legal reserves, and take all necessary measures, and reach any agreements to ensure the successful conclusion of the issues envisaged and to record any capital increases that result from any issue made through this delegation and modify the by-laws accordingly.
- finally, decides that this delegation supersedes any previous delegation with the same object, for any unused sums.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Ordinary General Meeting on how it has used the authorizations granted in this resolution.

EIGHTEENTH RESOLUTION

DELEGATION OF AUTHORITY TO ISSUE, WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS, ORDINARY SHARES AND/OR SECURITIES PROVIDING ACCESS IMMEDIATELY AND/OR WHEN DUE, TO THE COMPANY'S CAPITAL STOCK OR THE CAPITAL STOCK OF A COMPANY IN WHICH IT DIRECTLY OR INDIRECTLY HOLDS MORE THAN HALF THE CAPITAL STOCK, BY PRIVATE PLACEMENT AS DEFINED IN THE FIRST PARAGRAPH OF ARTICLE L.411-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

After acknowledging the report of the Board of Directors and special report of the Statutory Auditors, and in compliance with provisions of article L.225-129 et seq. of the French Commercial Code, and in particular articles L.225-129-2, L.22-10-51, L.22-10-52 and L.228-91 et seq., the AGM, deliberating in compliance with conditions of quorum and majority required for Extraordinary General Meetings of Shareholders:

- delegates to the Board of Directors, with the faculty of sub-delegation, in compliance with legislative provisions, its authority to proceed with an increase in capital stock, in one or several operations, in the proportion and at the time it deems most opportune, respecting the provisions of article L.233-32 of the French Commercial Code, whether in France or another country, by private placement as defined in the first paragraph of article L.411-2 of the French Monetary and Financial Code, in euros or any other currency or unit of account fixed in reference to several currencies, through the issue of ordinary shares or securities providing access immediately and/or when due to the Company's capital stock, as governed by articles L.228-91 et seq. of the French Commercial Code and which may be subscribed to either in cash, or by compensation of receivables. Any preferential shares and security issues providing access by any means, immediately or when due, to preferential shares, are excluded from the present delegation of authority.
- delegates to the Board of Directors, with the faculty of sub-delegation, in conditions fixed by the law, its authority to proceed with the issue of securities providing access immediately and/or when due to existing or new ordinary shares and/or debt securities of a company in which the Company directly or indirectly holds more than half the capital stock, or which directly or indirectly holds more than half the capital stock of the Company, on condition that the issues of securities have been approved by the company in which the rights are exercised.
- decides that the maximum nominal amount for capital stock increases that may be made immediately or when due by virtue of this delegation is 20% of the capital stock on the day of the decision by the Board of Directors. This amount will be deducted from the amount of the total ceiling provided for in the nineteenth resolution, or, where relevant, from the total amount of ceilings provided for in resolutions of the same nature which might possibly follow these resolutions during the validity of the present delegation. The nominal amount of shares that are liable to be issued in the case of new financial operations will be added to these ceilings, to preserve the rights of bearers of securities that provide access to the capital stock. In all cases, issues of securities by virtue of the present delegation are legally limited to 20% of the capital stock every year.
- fixes the duration of the validity of the delegation of authority concerned by the present resolution to twenty-six (26) months, starting from the day of this AGM.
- decides to cancel the Shareholders' preferential subscription rights to the shares covered by this resolution.
- acknowledges that if subscriptions have not absorbed the entire issue, the Board of Directors will be entitled to limit the amount of the operation to the amount of subscriptions received, on condition that this amount reaches at least three-quarters of the issue initially declared.
- acknowledges that the present delegation gives full preference to bearers of securities issued that provide access to the Company's capital stock, if the Shareholders renounce their pre-emptive right to subscribe the shares to which these securities otherwise give the right.
- decides that the price for the subscription of shares and/or securities issued by virtue of the present delegation will be determined in compliance with the provisions of articles L.22-10-52 et R.22-10-32 of the French Commercial Code.
- decides that the Board of Directors, with the faculty of sub-delegation, and in compliance with legislative provisions, will have full powers to exercise the present delegation, in particular to determine the issue dates and conditions, and the form and characteristics of the securities to be created, to fix the issue prices and conditions, to fix the amounts to be issued, to fix the date of entitlement, albeit retroactive, for the securities to be issued, to determine how the issued ordinary shares or other securities should be paid up, and the conditions in which these securities will grant a right to the Company's ordinary shares, to set the conditions where appropriate, for their buyback on the Paris stock market and their possible cancellation, to anticipate the possibility to suspend the exercise of ordinary share allotment rights attached to the securities to be issued and to fix the mechanism for the protection of the interests of holders of securities providing future access to the share capital, in compliance with all legal and regulatory provisions.

- decides, moreover, that when the securities to be issued comprise, or are associated with, debt securities, the Board of Directors will also have full powers, with the faculty of sub-delegation, to determine whether they are perpetual floating or not, their remuneration and, where applicable, the compulsory or optional events of suspension or non-payment of interest, their duration and the possibility of a reduction or increase in the nominal value of the securities, and the other issue and amortization methods.
- decides that the Board of Directors may also, with the faculty of sub-delegation, and upon its own initiative, deduct capital increase costs from the amount of premiums associated to this increase, and also deduct from this amount the legal reserves required, and take all necessary measures, and reach any agreements to ensure the successful conclusion of the issues envisaged, and to record any capital increases that result from any issue made through this delegation and modify the by-laws accordingly.
- decides that the Board of Directors may also, with the faculty of sub-delegation, acknowledge the completion of each capital stock increase and make any related amendments, and generally enter into any agreement in particular to successfully complete the proposed issues envisaged, taking all steps necessary to carry out any formalities for the issue, the quotation, and for the financial servicing of securities issued pursuant to this delegation and for the exercise of the rights attached thereto.
- finally decides that this delegation supersedes the unused portion of any earlier delegations to the same effect.

If the Board of Directors uses the delegation granted in this resolution, it must report back to the following Ordinary General Meeting on how it has used the authorizations granted in this resolution.

NINETEENTH RESOLUTION

GLOBAL LIMIT OF THE TOTAL AMOUNT TO BE ISSUED

After acknowledging the report of the Board of Directors, the AGM decides that any capital increases resulting from the use of delegations involving the authorization to issue shares and other securities granted in the sixteenth, seventeenth and eighteenth resolutions above, whether immediate, deferred or potential, shall not globally exceed the total nominal value of 600 million euros, or the equivalent of this sum if issued in a foreign currency, or in a unit of account fixed in reference to several currencies; to this sum may be added, where relevant for capital stock increases as described above, the nominal amount of extra shares issued in order to protect the interests of the holders of securities that provide access to the capital stock, in accordance with legal and regulatory provisions.

TWENTIETH RESOLUTION

DELEGATION OF AUTHORITY GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL STOCK BY ISSUING ORDINARY SHARES AND/OR SECURITIES PROVIDING ACCESS TO THE CAPITAL STOCK, WITHOUT PRE-EMPTIVE RIGHTS, TO PARTICIPANTS IN THE COMPANY SAVINGS PLAN, PURSUANT TO ARTICLES L.3332-18 ET SEQ. OF THE FRENCH LABOR CODE

After hearing the reports of the Board of Directors and the Statutory Auditors, the AGM, deliberating within the framework of article L.225-129-6 of the French Commercial Code, decides to increase the capital stock reserved for employees participating in a company or group savings plan.

The AGM delegates to the Board of Directors the powers necessary, upon its own initiative, to take decisions to proceed with the increase in the capital stock, in one or several operations, in the proportion and at the time it deems most opportune, through the issue of shares in the capital stock or securities providing access to the Company's capital stock, without pre-emptive rights to the subscription of shares; the capital increase is reserved for the Company's employees still under contract, or those with work contracts in companies that are associated according to the definition of article L.225-180 of the French Commercial Code, that participate in the Company or group savings plan, and that satisfy any conditions that are laid down by the Board of Directors.

The amount of increase in the capital stock liable to be made through the delegation presented above may not exceed 10 million euros in nominal value; to this sum may be added, where relevant, the nominal amount of extra shares issued in order to protect the interests of the holders of securities that provide access to these shares, in accordance with legal provisions in force.

The issue price for new shares, to be fixed by the Board of Directors, cannot be lower by more than 20% of the average rate recorded for the Company's shares on the Paris stock market during the legal period and in the conditions laid down by the law in force at the date considered; current legislation states this period to be the twenty (20) days the Paris stock market is open preceding the day of the decision taken by the Board of Directors to fix the date when subscriptions are open.

The Board of Directors is granted full powers, in conditions fixed by the law, to implement this present delegation, or postpone this implementation to a later date, within the limits and methods that it fixes in advance, in order to:

- determine the companies whose employees may benefit from the issue subscription offer, for the purposes of the present delegation,
- fix the conditions of seniority in particular necessary to benefit from these subscription offers,

- determine the issue dates and methods adopted,
- fix the issue prices and conditions,
- fix the amounts to be issued,
- fix the date of entitlement, albeit retroactive, for the securities to be issued,
- determine how the shares should be paid up and the time granted to the beneficiaries to pay up their subscription,
- decide whether the subscriptions can be made directly and/or indirectly through mutual funds,
- fix, for security issues covered by the present delegation, the methods and conditions of participation in a company or group savings plan, determine their regulations or, for pre-existing plans, modify their regulations.

Finally, the Board of Directors may, where appropriate, deduct any charges from the premium or premiums associated to capital increases, in particular any costs generated by security issues, and more generally take any useful measures to reach agreements in order to succeed with such issues, record any capital stock increases resulting from an issue made within the framework of the present delegation, and modify the by-laws accordingly.

The present authorization is granted for the maximum duration of twenty-four (24) months. It supersedes the authorization previously granted by the AGM of December 10, 2021.

8.4. DRAFT RESOLUTION OF AN ORDINARY NATURE

TWENTY-FIRST RESOLUTION

DELEGATION OF POWERS TO CARRY OUT CORPORATE FORMALITIES

The AGM grants full powers to the bearer of a copy or extracts of the minutes recording the present deliberations with the aim of completing all legal and administrative formalities as required.



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9.1.1. CONTROL BODIES

9.1.1.1. INCUMBENT STATUTORY AUDITORS

VISAS 4 COMMISSARIAT

56, boulevard Gustave Flaubert – F-63010 Clermont-Ferrand
Represented by Ms. Emily STRICKLAND

Date of renewal: 2017

Date of expiry of term of office: 2023 (AGM deliberating on the financial statements closing June 30, 2023).

GRANT THORNTON

29, rue du Pont – F-92200 Neuilly-sur-Seine
Represented by Ms. Françoise MÉCHIN and
Mr. Arnaud DEKEISTER, as co-Statutory Auditor

Date of appointment: 2020

Date of expiry of term of office: 2026 (AGM deliberating on the financial statements closing June 30, 2026).

9.1.2. FEES OF THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORK

This information is presented in Appendix 2 of Chapter 6, Consolidated Financial Statements, page 244 of this annual report.

9.2. HISTORICAL FINANCIAL INFORMATION INCORPORATED BY REFERENCE

Pursuant to article 19 of regulation (EU) 2017/1129 of the European parliament and the Council of June 14, 2017, the following information is incorporated by reference in this annual report for 2021-2022:

- The activity report, Vilmorin & Cie's consolidated financial statements and the report of the Statutory Auditors on the consolidated financial statements for fiscal year 2020-2021 as presented on pages 116 thru 128 and 180 thru 254 of the "*document d'enregistrement universel*" filed with the *Autorité des marchés financiers* on October 27, 2021, under the reference D.21-0885.
- The activity report, Vilmorin & Cie's consolidated financial statements and the report of the Statutory Auditors on the consolidated financial statements for fiscal year 2019-2020 as presented on pages 112 thru 125 and 184 thru 263 of the "*document d'enregistrement universel*" filed with the *Autorité des marchés financiers* on October 28, 2020, under the reference D.20-0905.

The information included in these documents, other than those referred to above, have, where necessary, been replaced and/or updated by information included in this annual report. The documents referred to above are available on Vilmorin & Cie's website, in the section Publications/Regulated Information, at the address: [https://www.vilmorincie.com/en/archives/publications-en/regulated-information/\(1\)](https://www.vilmorincie.com/en/archives/publications-en/regulated-information/(1)), and that of the *Autorité des marchés financiers*, www.amf-france.org.

(1) The information on Vilmorin & Cie's website does not form part of this document unless it is incorporated by reference.

9.3. TECHNICAL GLOSSARY

A

Abiotic: Refers to a characteristic of the environment in which the plant develops, of a physical or chemical nature, and which tends to influence the biological cycle of the plant.

B

Biological control: The fight against crop pathogens using their natural predators.

Biotechnologies: All methods and techniques that use living organisms or their components to manufacture or modify products, to improve plants, or to develop micro-organisms for specific applications.

Breeder: The breeder - a company or a professional - is in charge of creating new seed varieties from the existing diversity, the main tasks being to define breeding objectives, manage breeding programs and ensure relations with internal and external partners.

C

Character: Item of the description of the phenotype of a living organism or a species.

Cisgenesis: Insertion in a recipient plant of a gene from a species that could be crossed by sexual reproduction with the recipient plant.

Criticality: Cumulative effect of the probability of a risk occurring and the seriousness of the damage it would cause.

G

Genetic resources (or genetic heritage): Group of genes from various plant species.

Genetically Modified Organism (GMO/GM): Organism (plant or micro-organism) whose genome has been voluntarily modified by man using a technique, transgenesis, combining in vitro culture and genetic engineering.

Genome: All the genes or hereditary heritage contained in each cell of any living organism.

Genomics: All techniques and research related to the study of the genome.

Germplasm: Genetic heritage.

H

Hybrid: Refers to a plant resulting from a cross between clearly different parents, belonging to the same species or to related species.

I

Inputs: Agricultural inputs involve the different products provided to the soil and crops, including in particular, fertilizers, amendments, chemical products, seeds, etc.

M

Molecular marking: Following the presence or absence of a particular trait in a plant by studying its genome (without the need to grow the plant to check whether the trait is present or absent).

P

Plant breeding: Among a plant population that one wishes to improve, the choice of individuals with the best phenotypic characteristics as breeding sources. By extension: all varietal improvement techniques.

R

Royalties: The seed company enters into licensing agreements (for Europe mainly with cooperatives) to delegate the production and sale of its certified seed. In return, it receives royalties. The royalties collected by Vilmorin & Cie mainly concern wheat and barley.

S

Sales from proprietary varieties: Sales made on varieties coming out of the research programs of Vilmorin & Cie.

Seed multiplication farmer: A farmer specializing in seed multiplication, i.e. the production of seeds on a large scale, with the aim of selling them.

Site-directed mutagenesis: Site-directed mutagenesis is the action of inducing one or more mutations in a genome, in a precise and intentional way.

Stacking: Combination of characters - a process consisting of associating several genes of interest within the same plant.

T

Traits: The gene or genes that give the plant a desired characteristic (resistance to various insect pest attacks, tolerance to herbicides, etc.).

Transgenesis: A technique for the transfer and integration of one or more genes into the genetic heritage of a living organism.

9.4. FINANCIAL AND STOCK MARKET GLOSSARY

Sales reported in this annual report correspond to revenue from ordinary activities.

C

Current data: Current data are the data expressed with the historical currency exchange rates for the period, and not adjusting for changes in the consolidation scope.

Current operating margin: The current operating margin is defined as the accounting operating margin restated for impairments and reorganization costs.

E

Earnings per share group share or EPS: EPS corresponds to the group's share of net income for the year divided by the number of shares comprising the capital. It can also be referred to as "profit per share" or "income per share".

EBITDA: The EBITDA is defined as the operating result to which are added any provisions for depreciation, amortization and impairment.

G

Gearing: Gearing is defined as the ratio comparing the net financial debt⁽¹⁾ to equity⁽²⁾.

L

Leverage ratio: The leverage ratio is defined as the ratio comparing the net financial debt⁽¹⁾ to the EBITDA.

Like-for-like data: Like-for-like data concern data that are restated for constant consolidation scope and currency exchange rates.

P

Price Earning Ratio: The PER per share is equal to the ratio of the share price to earnings per share (EPS).

R

Rebased (REB) price: Calculation technique that relates the base of one price to the reference value of another price. The price is then said to be rebased in order to be able to compare the variations of the two prices, on a graph in particular.

Research investment: Research investment corresponds to gross research expenditure before recording any research costs and tax relief as fixed assets.

Return on the share: The return on the share corresponds to the amount of the dividend per share distributed relative to the share price. In this document, the dividend for fiscal year N refers to the last trading price of fiscal year N.

T

Taxonomy: The European taxonomy designates a classification of economic activities with a favorable impact on the environment. Its objective is to direct investments towards "green" activities.

(1) Net financial debt is equal to net financial indebtedness.

(2) Equity corresponds to the line "Consolidated equity", represented in the Financial Progress Report.



The **Limagrain** seed business

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www.vilmorincie.com