



SUSTAINABILITY REPORT



CONTINUING OUR INVESTMENTS IN A SUSTAINABLE FUTURE

From day one, Mydibel's main objective has been to build a sustainable business. And we do so by staying true to our Mydibel family values in which quality, passion and respect play a pivotal role.

First and foremost, our business approach is built on deep **respect for nature**, because nature is our main supplier. It is the earth that enables us to grow the best quality potatoes. So, we do everything we can to nourish that nature. By making efficient use of our resources, by fostering sustainable palm oil throughout the value chain, and by promoting zero residue agriculture both at our own premises and at those of our suppliers .

We also **respect our customers**. We feel it is our moral obligation to offer them a top quality, safe and healthy potato product. This inspires and drives us to continuously innovate our product range and develop products that are 100% vegetarian and contain less fat, less salt, no gluten, etc.

Last, but not least, we firmly believe in the strength of **long-lasting relationships**, both with our own employees and with our external partners and our farmers. They are quintessential in meeting the high standards that we have set ourselves. Even beyond the certificates.

These ingredients of our business recipe have brought Mydibel to where we are today. And we feel confident that they will continue to advance on our growth path in a sustainable way.

“The sustainable success of Mydibel relies on people. If we want to grow as a company, we need to help our employees and farmers grow as well. That is why we set up initiatives to share knowledge across departments and expand our in-house expertise. And that is why we actively coach our suppliers throughout the entire agricultural process.

BRUNO MYLLE, MANAGING DIRECTOR

“Food loss has a major ecological impact. Therefore, it is our ambition to put everything a potato has to offer to good use. By continuing our investments in our circular production, we make sure we recover, recycle and reuse equipment, more and more of our wastewater and potato waste. Mydibel will always keep on pushing for the dream of a zero carbon factory because we believe that green energy is the future.

CARLO MYLLE, MANAGING DIRECTOR

“The three basic elements of sustainability have been joined by a fourth: **innovation**. The availability and use of data offer an opportunity to not only change what we do, but also how we do it. These opportunities will only be achieved if we look outside our current ecosystems. That is why, at Mydibel, we continue to look at the entire potato value chain.

Marc Van Herreweghe, CEO

PASSION



FAMILY BUSINESS AT HEART, NOW AND IN THE FUTURE

In 2018, Mydibel celebrated its 30th anniversary. In these 30 years, the Mylle family has turned Mydibel into a strong international player in the potato business. And the family is still ambitious. In fact, the third generation is already paving the way of the future. Jonas & Jolien, the children of Bruno, and Mathieu, the son of Carlo, are already active at Mydibel, each in different departments. Pauline, Carlo's daughter, is currently completing her education and is well informed of the progress and developments being made within the company.

Based on these strong family roots, a continued focus on product and service innovation, investments in state-of-the-art technologies, sustainable operations and partnerships with employees and external partners... Mydibel feels more than ready to face the challenges of the future.

2017-2019 STATUS

40%

volume growth

2020 - 2022 OBJECTIVES

40%

volume growth

POTATO

MYDIBEL AND ITS FARMERS, A JOINT PASSION FOR TOP-QUALITY POTATOES

2017-2019 STATUS

<p>600,000 supplied tonnes of potatoes/year</p> <p>70% Belgium, 10% Germany, 15% France, 5% The Netherlands</p>	<p>10,500 ha contract farming</p>	<p>300 ha own cultivation</p>	<p>+/- 300km</p> <p>The fields lie approx. in a radius of 300km around Mydibel</p>	<p>certified agriculture</p> <p>Vegaplan, GlobalGAP or similar certification</p>	<p>varieties</p> <p>Primarily Challenger, Fontane and Bintje</p>
--	--	--	--	---	---

2020 - 2022 OBJECTIVES

<p>700,000 supplied tonnes of potatoes/year</p>	<p>12,000 ha contract farming</p>	<p>400 ha own cultivation</p>			
--	--	--	--	--	--

INVESTIGATING NEW VARIETIES

The past two years, Mydibel saw a 5 to 15% drop in the yield of its potato crops, due to changing weather conditions. To cope with this trend, we decided to spread our risk even more. While popular varieties such as Fontane and Challenger are still the mainstays, we are constantly looking into other varieties that are better resistant to periods of draught, diseases, etc.

In addition, we are also investigating varieties that require less nitrogen. New legislation forces us to use less fertilizer in order to limit the nitrogen build-up in agricultural soils and secure groundwater quality.

“Currently, we have planted 200 hectare of the new varieties in our test fields and those of our suppliers in order to identify which ones could have a long-term use for us and our partners.

FREDERIK DECOCK,
AGRONOMIC
PURCHASE MANAGER



INTENSIFYING OUR PARTNERSHIP WITH FARMERS

Since 2018, we have intensified our relationship with the farmers considerably. We expanded our procurement team to two traders and four people supporting the growers. In addition, our Agromyl team of six agronomists is actively supporting our suppliers throughout the entire agricultural process.

This closer contact with our suppliers enables us to strengthen our supply chain. For instance, it helps us promote sensible water use. We install irrigation probes at our farmers' premises to help them regulate the irrigation of their fields. These probes measure soil temperature and humidity levels, so the farmer knows when the optimal amount of water can be pumped onto the field. The result: less water wastage and a good harvest with a better yield.



MYDIBEL POTATO DAYS

We organized the Mydibel Potato Days to celebrate the long history of Mydibel. It was the perfect opportunity for all farmers that have delivered potatoes to us in recent years to discover our test fields and our state-of-the-art production equipment. The farmers also got acquainted with the permanent potato varieties as well as those that will make their mark in the next ten years. It proved to be the ideal base camp to nourish our partnerships and to sow the foundation for at least another 30 years of passion for potatoes.

PRODUCT

CREATING PRODUCTS THAT ADD TO THE GENERAL WELL-BEING

2017-2019 STATUS

270,000

tonnes of finished products

53% - 47%

53% Mydibel brand
47% private label

> 120

245.000 tonnes of export to over 120 countries
91% export
9% Belgium

71% - 19% - 10%

71% Foodservice
19% Retail
10% Industry

2020 - 2022 OBJECTIVES

350,000

tonnes of finished products

60% - 40%

60% Mydibel brand
40% private label

> 130

315.000 tonnes of export to over 130 countries
90% export
10% Belgium

71% - 19% - 10%

71% Foodservice
19% Retail
10% Industry

DEVELOPING HEALTHY PRODUCTS

The entire Mydibel product range is 100% vegetarian, halal and completely vegan (except for potato mash, which contains milk). We only use ingredients of purely vegetable origin and we commit ourselves to developing healthier products with:

- **Lower fat content**, by recovering the oil during the production of our fries and by developing products that can be prepared in the (high-speed) oven, air fryer or wok.
- **Reduced salt** in our specialty products from 1% to less than 0.7%.
- **Increased fibre content** in mash and hash browns.
- **Clean label**, free of E-numbers, preservatives and additives.
- **Gluten-free specialties**.



The past years, Mydibel launched various healthier products, including:

- **My'Little Hearts** for kids, can be prepared in the oven, are gluten-free, 100% vegan and contain less salt.
- **My'Super Mash**, a 100% vegan with vegetable proteins and fibres.
- **My'Dlight** fries, for the airfryer or oven, which contain 30% less fat, energy and carbohydrates and are 100% vegan.

PRODUCT

STRENGTHENING OUR FOOD SAFETY CULTURE

Based on years of experience, we guarantee top-quality products with a high level of food safety. The past years, we have invested in intensifying our food safety culture. A first step in this regard was the employee survey on quality and food safety in 2019, which triggered the following actions:

- Quality and food safety are now standard topics during production briefings and Extended Leadership Meetings.
- The number of detailed quality checks has been increased to make sure all procedures are carefully followed.
- The responsibilities for quality checks (daily follow-up, complaint management) and quality assurance (standards, certification) have been clearly separated in the organization.
- Quality controls in production have been automated. For instance, the length of the fries is now measured automatically and no longer manually.

In 2021, we will repeat the survey to see whether the food safety culture has further improved.



More about our certificates can be found on www.mydibel.be/en/downloads

DID YOU KNOW THAT...

- We began switching to **segregated palm oil** in January 2019? Our objective is to only use palm oil from RSPO-certified sources for all pre-frying.

“As a RSPO-member, we have committed ourselves to use segregated palm oil, and we encourage all our partners to join us in this ambition. In this way, we can build a sustainable supply chain in which palm oil is produced in an audited environment, with respect for the environment, the biodiversity and the working conditions of local plantation workers.

JOLIEN MYLLE,
MARKET INTELLIGENCE OFFICER

PLANET

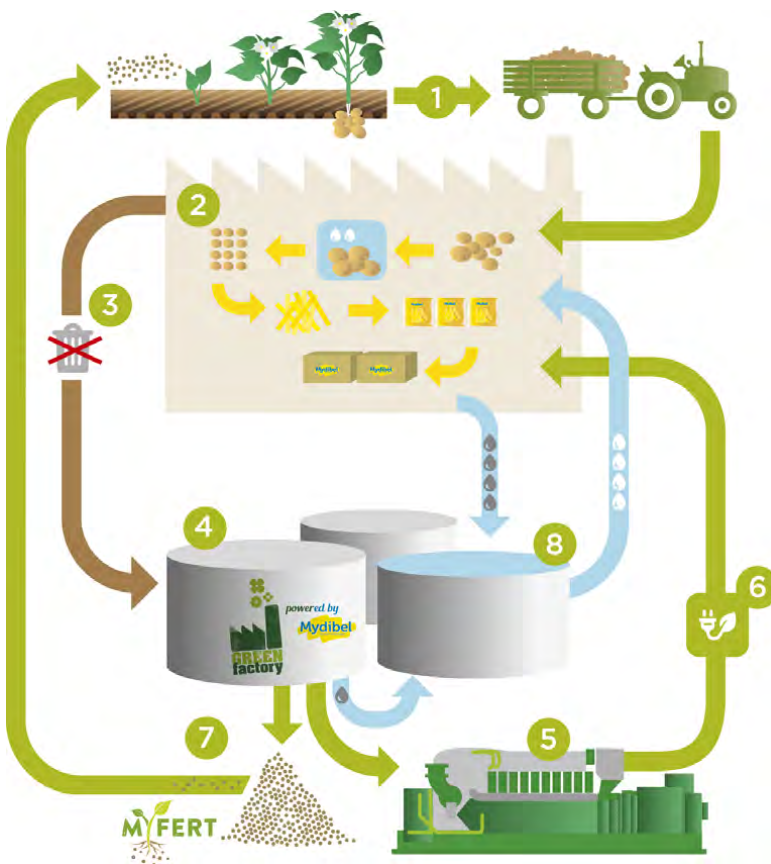
THE CIRCULAR POTATO COMPANY

2017-2019 STATUS

114,000 on-site biomethanisation of 114.000 tonnes of potato waste	6 biogas engines	37,000 tonnes Myfert	24,3% - 17,8% less energy consumed/tonne of product Mydibel: 24,30% Gramybel: 17,80% (2019 vs 2005)	38,6% - 19,1% less CO2-emissions/ tonne of product Mydibel: 38,60% Gramybel: 19,1%	2,35 MWp installed power solar panels	26,9% less water consumed/ tonne of product (2019 vs 2005)
---	-------------------------------	-----------------------------------	--	---	---	---

2020 - 2022 OBJECTIVES

145,000 on-site biomethanisation of 145.000 tonnes of potato waste	7 biogas engines	+50,000 tonnes Myfert	27% - 18% less energy consumed/tonne of product Mydibel: 27% Gramybel: 18%	41% - 20% less CO2-emissions/ tonne of product Mydibel: 41% Gramybel: 20%	2,35 MWp installed power solar panels	40% - 70% less water consumed/ tonne of product
---	-------------------------------	------------------------------------	--	--	---	--



GIVING BACK TO NATURE

- 1 After harvesting, the potatoes are transported to the Mydibel factory.
- 2 The potatoes are washed, sorted and processed into fries or other potato products.
- 3 The production's bypass streams are not wasted but processed in our own Green factory.
- 4 The starchy waste is turned into biogas via bio-fermentation.
- 5 6 motors turn the biogas into green energy (electricity + heat).
- 6 The on-site generated green energy is used to fuel our production processes.
- 7 The residues of the bio-fermentation process can be used as natural fertilizer: Myfert.
- 8 Process water is purified on site and reused throughout the facility.



WASTING LESS, REUSING MORE

At Mydibel, we pride ourselves on our circular business approach. We reuse and recycle as much as possible of the resources that we use during production.

Via an on-site bio-fermentation process (anaerobic digestion) we transform no less than 350 tons of potato waste per day into green energy. Thanks to our 6 on-site biogas engines and our solar panels, we can produce 9 MW of green electricity, which fulfills 100% of our electricity needs.

In addition to electricity, our biogas engines also provide heat that is used for blanching, heating cleaning water, heating water for steam production and ventilating the factory. With this self-generated heat, we are able to fill in 36% of our thermal energy needs.

The residues of the bio-fermentation process are turned into natural fertilizer that we sell under the brand name Myfert. This digestate is rich in phosphate, nitrogen and potassium and is the perfect fertilizer for potato fields and other crops.

Last, but not least, we close the water cycle by recovering and treating the waste water resulting from the transportation of the potatoes to the production site, the washing and the digestion of the potato peels and shavings. Thanks to ultrafiltration and reverse osmosis, the wastewater is processed up to drinking water quality and reused in the washing process. It is also used to transport the potatoes via the 'waterslide' from the sorting facilities to the production facilities. In 2020 we have installed an additional ultrafiltration unit allowing us to recycle and reuse the most water consumption. As a result: 45% of the water that is used by our processes is recycled.



“Thanks to the two on-site digesters we do not have to dispose the potato peels and shavings as waste. In 2019, this enabled us to avoid the transportation of more than 110,000 tonnes of waste, helping us keep 3,800 trucks off the road.

**SIMON VOET,
PRODUCTION & ENGINEERING
DIRECTOR**



PEOPLE

OUR HAPPY POTATO FAMILY

2017-2019 STATUS

> 600**employees**80% men
20% women
20 nationalities**370%****growth** in the number of employees (compared to 2010)**7****years of average seniority****39****average age****39,500****hours** employee learning & development

2020 - 2022 OBJECTIVES

Continuous development of leadership at all levels of the group (informing, engaging and empowering)

Digitalization & automation in the way of working by implementing an advanced ERP system and MES

Continuous training & development of our young potentials via the Mydibel Academy

STRENGTHENING OUR SAFETY CULTURE

In the past years, Mydibel has invested in strengthening its safety culture. Together with consultancy firm NCSP we audited the way in which health and safety aspects are managed at Mydibel, based on document analysis, land audits and discussions with people from board to floor.

The audit resulted in a targeted action plan and dashboard to monitor and evaluate the evolution of our safety culture. The action plan, which is currently being implemented, includes:

- More emphasis on communication through Safety Flashes via e-mail and screens.
- An altered training approach. For instance, forklift trainings will be conducted at the workplace to make sure theory can be put to practice immediately.

The action plan is being evaluated on an ongoing basis.

LEADERSHIP

Mydibel is preparing itself for the future by utilising digital technologies to innovate its organisational, operational, and business model. As part of this endeavour, Mydibel introduced the Extended Leadership Team (ELT), a platform of diverse experts that:

- Collaboratively manages the company and makes decisions jointly with the management committee.
- Translates strategy into practical measures and takes responsibility for implementing these measures.
- Acts as ambassadors of Mydibel and agents of change.
- Communicates with the entire company to provide information and a clear message.
- Collects all necessary expertise and information needed to successfully accomplish a project.

THE MYDIBEL ACADEMY

In 2017, we started the Mydibel Academy, a group of young potentials from various departments coming together once every month for 18 months to share knowledge.

The participants are free to select the themes of the training and share their knowledge, or invite an external speaker. Among the themes covered were HR for non-HR, finance for non-finance, potato for non-potato, etc.



“The main purpose of the Mydibel Academy is to learn from each other and to reinforce and foster internal collaboration across the various departments. Which it did. Because of these positive results, the second edition of the Mydibel Academy has been launched in 2019, building on the experiences of the first group of participants.

WOUTER TRYBOU,

SALES DIRECTOR EXPORT & MEMBER OF THE 1ST MYDIBEL ACADEMY



FIT AT WORK

Mydibel cares a lot about personal fitness. That is why it organizes a variety of sporting events.

Each year, we organize the Mydibel Cycling Classic, a cycling event for young and old throughout the Flemish fields. The entire proceeds go to Koester, a project of the Children's Cancer Fund.

Since 2018, Mydibel has extended the sports offering to its employees, including walking, running and football.

AN OVERVIEW OF 2020

HOW WE'RE RESPONDING TO THE COVID-19 PANDEMIC

Our 2020 Sustainability Report is being produced in the shadow of the COVID-19 pandemic. Our company's deepest sympathies go out to all who have been impacted.

The Mydibel Group has—and always will—put the health, safety and security of people first. The coronavirus pandemic has posed enormous challenges around the world, even in challenging times our company's history shows us one thing: We have faced crisis before, and we always emerge stronger, more resilient and more united than ever.

We focus on continuing to provide exceptional service to our customers, suppliers, partners and all our other stakeholders.

Needless to say that 2020 was very challenging however we are building on the learnings we have made due to the challenges we were faced with and we remain positive for the future.

DID YOU KNOW THAT...

In February 2020, Mydibel transformed Roger Mylle's childhood home into the Mydibel Experience Center: **Roger's Farm**. Amidst the potato fields, visitors get a taste of our products and learn more about how to prepare these delicious potato products in the right way.



NEW PRODUCTION SITE FOR MYDIBEL: MYDIBEL FRESH

Right next to the Gramybel site in Mouscron (BE), Mydibel has built a new production site that produces potato specialty products. The new facility is operational since September 2020 and perfectly fits our sustainable ambitions.

For instance, the building is constructed with local and regional (sub)contractors to generate maximum local added value. In addition, the new plant created 70 full-time jobs.

Similar to our Green Factory, the Mydibel Fresh plant has a minimal ecological footprint. The production's bypass streams are processed on site in the MyPower plant, generating enough energy to fill in 90% of the site's energy needs. The digestate resulting from the transformation of the potato waste is being transformed into Myfert, the organic fertilizer that farmers are using on their (potato) fields.



SUSTAINABLE FROM FIELD TO FORK

Mydibel works closely together with professionals who, each in their own way, form an indispensable link in a sustainable potato chain. Together, each within their own knowledge and expertise, we want to make a demonstrable contribution to a more sustainable society by doing our bit in achieving the UN's Sustainable Development Goals (SDG).

SUSTAINABILITY CHALLENGES FOR THE POTATO SECTOR

The topics covered in the sustainability report were determined based on their relevance for our company and the materiality principle. We held an internal brainstorming session around the following core questions:

- What is Mydibel's added value? Where does Mydibel make the difference for its own business, its employees, society, the environment and the customer?
- Which (societal) trends/challenges does Mydibel aim to solve?

The result was a long list of relevant topics, which was checked against the CSR sector passport for the potato sector (Belgapom, 2015) and the CSR sector passport for the food sector (Fevia, 2017), both validated by different stakeholders. The two passports bundle the most relevant challenges in the sector and link them to sustainability indicators. By using the GRI standards and the Sustainable Development Goals as a reference framework, we were able to create a quality test of our performance and commitment to sustainable development.

KEY STAKEHOLDERS

We actively engage in dialogue with our partners and customers. Our knowledge of the market, our interactions with consumers, and input from stakeholders provide direction for defining and achieving our objectives. Our major stakeholders are:

Employees	PEOPLE
Local/international communities	PLANET
Customers	PRODUCT
Consumers	PRODUCT
Farmers	POTATO
Family	PASSION
Investors/bank(er)s	PASSION

ABOUT THIS REPORT

This sustainability report concerns the activities of:

- Mydibel SA, Rue du Piro Lannoy 30, 7700 Mouscron,
- Gramybel SA, Boulevard de l'Eurozone 1, 7700 Mouscron,

Both entities are referred to as Mydibel in this sustainability report.

We are reporting on the period from 2017 to 2019. This report is written according to the GRI Standards, Core level. You can request a copy of the GRI reference table via greenfactory@mydibel.be. Our aim is to publish an update every two years.

Do you have questions or suggestions concerning our sustainability policy?
Do not hesitate to contact us via greenfactory@mydibel.be.

Mydibel. From our soil to your soul.

With soil on our shoes and passion in our hearts, we have been transforming potatoes for the last three generations. Our Belgian farm has turned into many potato fields, encouraging our founder **Roger Mylle** to build a solid team around his **family business**.

From where we began, we take the same **passion, quality and craft** into what we do today: creating a wide range of **potato products that bring pleasure for everyone to enjoy**.

Feet firmly rooted both in the fields and the factory, we make sure each potato product we create gets all the **love and attention** it deserves.

Our local potato growers and commercial partners around the world share our **values**, that run deep within the entire business.

We keep growing with dedication, and our **attention to detail** and care for nature will never change. We love to **innovate** and will continue to serve tasty and **authentic food** for years to come.

