



# Growing a greener planet together

Farm Frites  
Sustainability Report 2021





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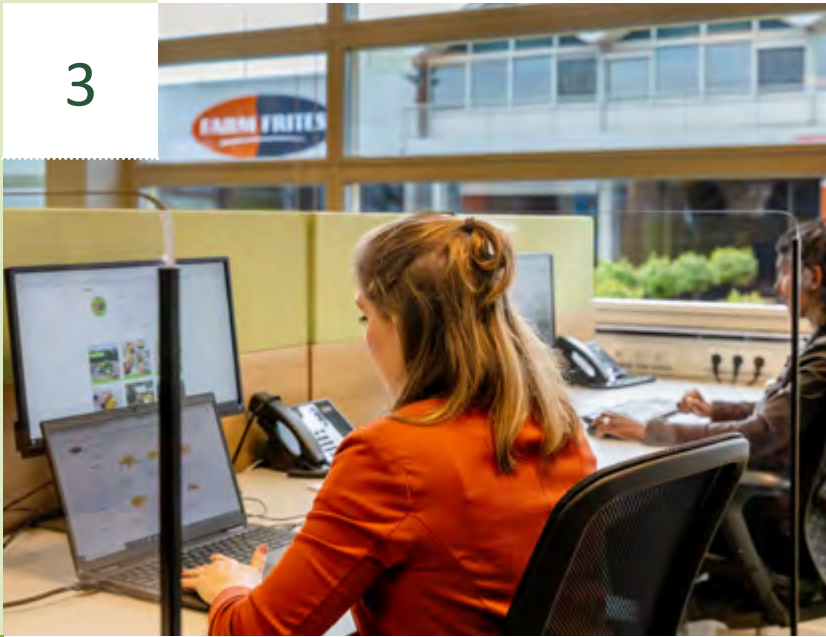
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## ABOUT THE REPORT

# Growing a greener planet together

This is the fifth global annual Farm Frites sustainability report, published on June 2022.

It reports on our efforts to achieve the goals we have set to contribute to sustainable development throughout the value chain, from farm to fork.





# Reporting years, materiality topics and GRI guidelines: how this report was created.

The data presented in the report ranges from 1 January 2020 to 31 December 2021. Last year, we decided not to publish our sustainability report over reporting year 2020. This allowed us to place our full attention on dealing with the effects the COVID-19 pandemic had on our daily operations. This report will therefore present our results from the baseline year of 2018 up until 2021, in order to include the 2020 data.

The topics in this report are based on the sustainability materiality assessment, which we reviewed and updated in 2019. However, changes have been made to the structure of this report compared to the previous publication. A number of topics have been put together to form new chapters. Moreover, a new People & Community chapter has been added, which discusses Farm Frites’ role as an employer. The Sustainable Development Goals are referenced throughout the report, to make the chapters more recognisable in relation to the EU sustainability guidelines.

As in previous reports, we follow the guidelines set by the Global Reporting Initiative (GRI) to ensure we cover all the topics relevant to sustainability. The latest generation of the framework has been used: GRI Standards, core level. No external audit of the report has been performed. However, our company is regularly audited by external auditors

through our participation in environmental, quality and food safety certification programs.

The scope of the report includes Holding Farm Frites BV and its subsidiaries such as Farm Frites International in the Netherlands and Belgium and our joint ventures in Egypt and Poland. We have included the data of the joint ventures in this report, using our ownership share as the weighting factor. The data was collected through an internal questionnaire, distributed to the relevant departments in our organisation. All figures presented refer to the Farm Frites Group, unless it is explicitly mentioned that they refer to Farm Frites International instead.

The business activities of Holding Farm Frites BV as far as the report is concerned, are similar to those in the previous report. All abbreviations are explained in the Glossary. References to the relevant GRI codes are made throughout the report. The GRI index can be found at the end of the report.



Please contact us [here](#) with any enquiries or comments.





## 1.2 BOARD STATEMENT

## GIJS MUILENBURG

Chief Financial Officer holding company

**“We challenge ourselves every day to minimise the environmental impact of our operation.”**

What are we passing on to the next generation? As a family-owned company, I believe the answer to that question is fundamental to how Farm Frites operates. It involves everything from greenhouse gas emissions, biodiversity and the depletion of natural resources, to food waste and safe, fair working conditions. It raises questions about how we want to do business and with whom we want to work. It makes us think about how our organisation contributes to people's lives, to communities and to society at large.

**About Gijs Muilenburg**

Gijs Muilenburg joined Farm Frites in 2003 as finance manager. He was responsible for finance in various parts of our organisation, before becoming Chief Financial Officer of our holding company in 2010.

**“Our company must prioritise sustainability in everything we do to contribute to a better world.”**

Today, the world faces unprecedented challenges. Our company must prioritise sustainability in everything we do to contribute to a better world. That is what drives me to turn Farm Frites into a future-proof organisation. We challenge ourselves every day to minimise the environmental impact of our operation. We are constantly researching and developing new solutions. We closely follow the latest developments to see where we can further improve. That's how we keep making our production chain more sustainable, from farm to fork.

This report shows that we have made progress towards that goal. The COVID-19 pandemic might have slowed us down, but our resolve to reach our targets has only strengthened. We are taking action to accelerate our progress and realise


very substantial changes in the coming years. Changes that make a real difference. Our people have proven many times that we are capable of exceptional achievement. Together with our partners, we will put in every effort to drive sustainable change in our industry and create a greener world!




1.3 SUMMARY

# How did we do in 2020 & 2021?

The COVID-19 pandemic presented our company with numerous unexpected challenges. Thanks to the resilience and hard work of our team of 1,500 employees, we managed to adapt and keep delivering potato products of the highest quality. Demand for our products fluctuated significantly though, which led to downtime and other inefficiencies in our production facilities. The effects can be seen in the results presented in this report, as we have not made as much progress towards our ambitious sustainability goals as we had envisioned. However, we are more determined than ever to reach these goals and are working hard to make every part of our operation more sustainable.

 Farm Frites is committed to contributing to the worldwide effort to counter climate change. We are well on track to reaching our goals concerning the reduction of energy intensity and increasing our share of renewable energy. Progress has also been made to reduce carbon emission intensity, though additional steps are required to reach our 2030 goal of achieving a 50% reduction.


 Sustainable and food-safe potato cultivation is essential in providing food for a growing world population. Farm Frites has achieved its goal of making all potatoes traceable back to the farm they were


grown. As of 2021, 96% of all our potatoes fell under a potato safety scheme. Over the past four years, a stable 93% of our potatoes performed at the bronze level of the Farm Sustainability Assessment (FSA) or higher. It is a major focus for Farm Frites to reach our goal of having all our potatoes perform at this level or higher by 2025.

 Farm Frites is constantly working to develop and implement packaging that has the smallest environmental impact. This involves the use of fully recyclable packaging that uses as little material as possible, while fully retaining all packaging functionalities and product quality. Progress has been made in


The effects can be seen in the results presented in this report.

the use of plastic of film per tonne of product, yet overall packaging intensity was not reduced due to changes in our product portfolio, necessitated by the COVID-19 pandemic. All our cardboard boxes were suitable for recycling in 2021. And at 91% almost all of our plastic film was recyclable as well. We are working with our suppliers to bring this number to 100%. Finally, Farm Frites has developed a new box design that allows for greater transport efficiency and the reduction of carbon emissions.

 Water is becoming an increasingly precious resource around the globe. Farm Frites aims to minimise its fresh water intake in order to reduce pressure on fresh-water resources. Since our baseline year of 2018 progress has been made. The COVID-19 pandemic caused inefficiency in our production line, but nonetheless our team managed to reduce water intake intensity by 3.3% in 2021 compared to our baseline year. We are taking steps to accelerate our progress to reach our 2025 goal of reducing water intake intensity by 15%.

 There are a number of essential conditions for our products that must be guaranteed at all times, including quality, food safety, transparency and responsible marketing. We strive to establish and retain the trust of customers and consumers that

enjoy our potato products all over the world by delivering responsible, nutritious products that meet their evolving standards.

 Minimising food waste increases the availability of food for the most vulnerable, reduces pressure on environmental resources and counters climate change. Our production locations have been optimised to use as much of the potato as possible. Currently, over 99% of our potatoes are used or reused.

 The success of our company depends on our people. It is through their talent, ambition and dedication that Farm Frites has become the company it is today. That is why we continue to work hard to create a diverse and inclusive workplace where everyone feels safe, at home and empowered to discover all they are capable of. Moreover, we believe in being a good neighbour and helping the communities we are a part of to thrive. Together, we are growing a greener planet.



# Our ambitions



## People and community

Farm Frites believes in doing business in a way that promotes the health and well-being of people both in our company and in the communities we are a part of.



## Climate change and energy

by 2025

by 2030

### Energy intensity

~ 5%

Energy intensity in kWh/t will be at least 5% lower than in 2018.

~ 10%

Energy intensity in kWh/t will be at least 10% lower than in 2018.

### Renewable energy

15%

At least 15% of our energy will be from renewable sources.

30%

At least 30% of our energy will be from renewable sources.

### CO<sub>2</sub> emissions

~ 50%

The intensity CO<sub>2</sub> emissions (scope 1&2) in kg CO<sub>2</sub>eq/t will be 50% lower than 2018.



## Food waste

Farm Frites is committed to minimising food waste, in order to increase the availability of food for the most vulnerable, reduce pressure on environmental resources, and counter climate change.



## Packaging

### Packaging intensity

~ 10%

Farm Frites will use 10% less packaging material per tonne of product by 2023, compared to 2018.

### Share of recyclable packaging

The packaging of our entire portfolio will be recyclable by 2023.

### CO<sub>2</sub> footprint

Farm Frites will reduce its CO<sub>2</sub> footprint by optimizing its packaging for efficient transport.



## Water management

### Water intake intensity

~ 15%

By 2025, water intake intensity in m<sup>3</sup>/t will be reduced by 15%, compared to 2018.

~ 30%

By 2030, water intake intensity in m<sup>3</sup>/t will be reduced by 30%, compared to 2018.



## Sustainable agriculture

### Traceability

All our potatoes will be fully traceable by 2025.

### Food safety

All our potatoes will fall under a certified safety scheme by 2025.

### Sustainability

By 2025, all our potatoes will perform at the bronze level of the Farm Sustainability Assessment (FSA) or higher.

50%

By 2025, at least 50% of our potatoes will perform at the FSA gold level.



## Product

Farm Frites is committed to producing high quality, food safe products in a responsible manner.



2

OUR COMPANY



In 1971, Farm Frites started as an independent family-owned company in Oudendoorn. Together with our partners, we have been investing in the development, cultivation, selection, processing and packaging of potato products for over 50 years. With five production locations and forty sales offices worldwide, and supported by a team of more than 1500 Farm Frites employees, we strive to serve the global market as well as possible. Today, we serve food service entrepreneurs from more than 100 countries with over 80 different types of Farm Frites fries, potato specialties and appetizers.

We are Farm Frites



We are proud of our global expertise and are constantly working to continue our growth in the potato world. Naturally, sustainability plays a key role in that pursuit. We are committed to growing, processing and distributing food while minimising and compensating the environmental impact of our business operations. That commitment involves a continuous process of researching, pioneering, following the latest developments and inventing new solutions. We are constantly asking how we can make our operations more sustainable. Together, we are working towards a greener, more sustainable world!



2.1 ORGANISATION PROFILE



Our mission

We will fully understand the business of our customers and partners to help them distinguish their products and services to drive their business forward.

Our vision

> **Growing together...  
From potatoes, to  
happy faces.**



Our culture

We are an independent family business, fiercely proud of our farming heritage, our products and services. We are innovative, agile and responsive which helps us make fast decisions and deliver

superior performance. We are ambitious for the future, dedicated to our customers and committed to making the world a better place for everyone.

Our values are at the heart of our culture and guide us in the way we work.



We are all equal

We work together and respect each other. We all have different roles, yet we are all an equally important part of the process.



No games

We do our business based on facts, not on assumptions. There are no hidden agendas! We are open and take responsibility and ownership.



We have one goal

We have aligned goals and objectives. We work as a team.



It's a two-way street

We not only encourage, but also listen to and act on new ideas and suggestions. We create a safe environment, in which everyone feels free to challenge.



Sense of urgency

We relentlessly challenge the status quo. We are eager; we seize the opportunity the minute it presents itself.



## 2.2 VALUE CREATION MODEL

# From farm to fork

We pursue an increasingly holistic approach to sustainability. Our strategy focuses on the entire value chain ‘From farm to fork’. This value chain includes many forms of capital, from vital natural resources needed to make our products, through to financial capital from the sale of our products.



**Growing together... From potatoes, to happy faces.**





## 2.3 BRANDS AND MARKETS

# Brands and Markets

Farm Frites offers a wide range of fries, appetizers and potato specialties in both frozen and chilled varieties. These products are sold mainly under the Farm Frites brand, but also under Farm Frites-owned brands, private labels and white labels. With these brands and products we serve the worldwide out-of-home market.

**Our core markets are:**

Continental Western Europe, Central Eastern Europe, United Kingdom & Ireland, Latin America, Middle East & Africa and Asia Pacific



## Farm Frites Branded ranges

**Farm Frites**

Our standard range with a wide variety of potato specialties (cut, mash, shredded) and fries. Timeless potato products with a consistent quality throughout the year, so that you can meet the high expectations of your customers. Both frozen and chilled options are available.





## Farm Frites Premium brand ranges

### Chef's Specials

Our newest range: The Chef's Specials range. This range is all about food service kitchen solutions that help in terms of speed, flexibility, preparations methods and delivery time. The first available offer in this new range: Crispy Coated Fries! These fries stand out because of their crispy coating, which keeps them warm and crispy for a longer time. Ideal for takeout and delivery. Moreover, these fries are gluten free and pre-fried in sunflower oil. Available as frozen product.



### Finest

Farm Frites Finest is all about perfection. These products enable foodservice operators to stand out from the crowd when it comes to quality and yield. Main product drivers are specially selected potato varieties for an outstanding appearance and taste, increased portion yield due to exceptional length of the fries, and conscious choice by pre-frying in sunflower oil. Available as frozen product.



### Home-Style

Home-Style fries are the answer to today's guests: authentic fries, with a rustic appearance. Farm Frites Home-Style products have a robust, rustic look with an irregular cut. Both frozen and chilled options are available.

### Quick Oven Fries

Quick Oven Fries help food operators offer quality fries anytime, anywhere. Our Quick Oven Fries are easy to prepare, ready in no time and they don't require any fat or oil. It is the ideal solution for foodservice outlets that want to serve great fries in a short time; prepared in the oven. Available as frozen product.



### Appetizers

Farm Frites offers a wide variety of delicious appetizers. Delicious vegetable and cheese finger foods. The quality of Farm Frites Appetizers meets the highest standards of professional kitchens. Available as frozen product.



### Fast Fry

Fast Fry is the ultimate solution for dealing with peak moments in orders. Fast Fry is ready in half of the normal cooking time, saving chefs time, while maintaining quality. Both frozen and chilled options are available.



### Chef's Harvest

Authentically prepared chips that you no longer have to cut and pre-bake yourself. For Chef's Harvest our farmers grow the best Agria potatoes, so our customers can serve their guests the tastiest fries. The potatoes are grown in fertile clay soil, which brings out the rich potato flavour. After harvesting, our Farm Frites experts carefully select the highest quality potatoes, and authentically prepare them in small batches. Chef's Harvest fries have a soft internal texture and the ultimate taste. Both frozen and chilled options are available.



## Farm Frites-owned brands

Alongside our Farm Frites brand, we have three Farm Frites-owned brands available. These brands are produced to meet specific market requirements in selected geographic regions.





2.4 GOVERNANCE

# Meet our Board of Directors

Our Board of directors consists of the Holding Farm Frites, CEOs of local entities, and the Supervisory Board.

- Holding Farm Frites**

Piet de Bruijne  
*Chairman*

Gijs Muilenburg  
*CFO*
- Supervisory Board**

Frank van Oers

Herman van Herterijck

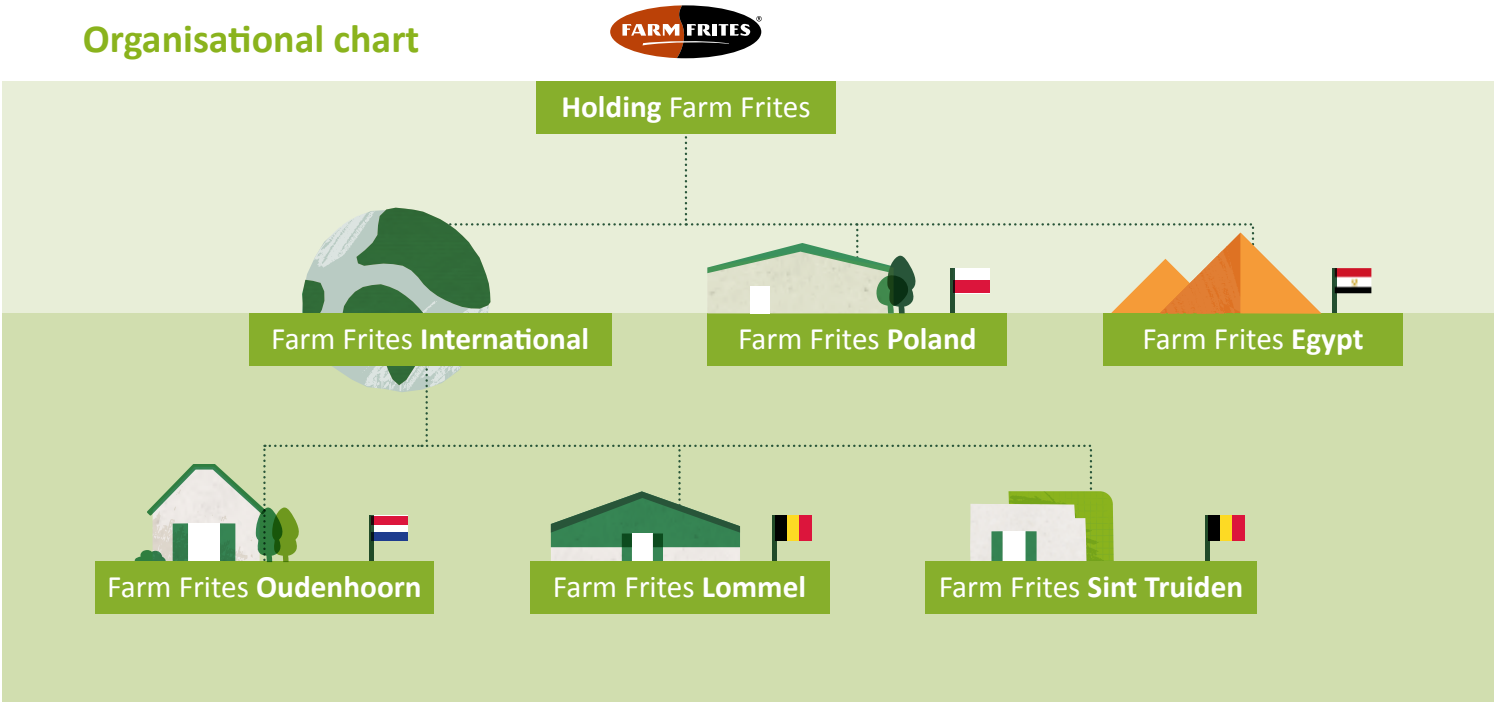
Herman Verstraeten
- CEOs of local entities**

Warden Zuketto  
*CEO Farm Frites International*

Adam Klasa  
*CEO Farm Frites Poland*

Mohamed Safwat  
*CEO Farm Frites Egypt*

Organisational chart



“Working together is the key to impactful, sustainable change”

Piet de Bruijne, Chairman

Holding Farm Frites consists of Farm Frites International and our joint ventures: Farm Frites Poland (Łębork) and Farm Frites Egypt (Cairo). Subsidiaries of Farm Frites International are our operations sites in the Netherlands (Oudenhoorn) and Belgium (Lommel and Sint-Truiden).



2.5 STAKEHOLDER ENGAGEMENT

# Keeping a pulse on what matters

Farm Frites maintains regular contact with major stakeholders to remain informed about stakeholder expectations, as well as all current and relevant developments.

The most important stakeholders have been identified during our materiality analysis. They include our employees, customers, potato growers, key suppliers, governments, joint venture partners, consumers, labour unions, local communities, NGOs, and universities and research institutes. By engaging with stakeholders, we identify the topics to which they attach the greatest importance.

This list of key topics informs us during decision making and when company policies need to be changed or updated.

The management of our various business entities is ultimately responsible for maintaining contact with our stakeholders. Our approach to stakeholder engagement includes:



Establishing processes for meaningful and effective engagement



Identification of issues that are most important to our stakeholders



Benchmarking our performance within and outside our industry

The table below lists Farm Frites’ stakeholders, engagement methods, and the topics that are discussed and reviewed with a particular stakeholder:

	STAKEHOLDERS	ENGAGEMENT METHODS	TOPICS
< DIRECT	Employees	FarmNet (intranet) Works council Satisfaction survey Direct meetings Notice board Quarterly updates	Diversity & inclusion Occupational health & safety Equitable compensation & benefits Talent management Succession planning
	Customers	Dedicated customer teams Top-to-top meetings Customer surveys Company website Social media	Transparency Social accountability Sales support & service Health, wellness & nutrition Food safety & quality
	Potato growers	Direct meetings Industry trainings Dedicated teams	Sustainable agriculture Health, wellness & nutrition Business trends Traceability
	Key suppliers	Responsible sourcing Face-to-face meetings Assessments and audits	Food safety & quality Human rights Ingredient traceability Cost saving opportunities
	Governments	Monitoring of regulatory activities Industry trading associations Direct engagement with local authorities Annual reports	Food safety & quality Product labelling Health, wellness & nutrition Policy Environmental policy Trade policy implications
	Joint venture partners	Meetings board level Focus team meetings	Food safety & quality Investments Sharing knowledge (Focus teams)
< INDIRECT	Consumers	Company website Social media	Packaging information Food safety & quality Environmental practices Social initiatives
	Local communities	Direct on-the-ground Relationships Sponsorships Employee volunteering Networking events	Environmental initiatives Local social issues Health, wellness & nutrition
	Labour unions	Periodical negotiations Ratings, rankings and indices	Equitable compensation & benefits Occupational health & safety
	NGOs	Industry trading associations Conferences Workshops Sustainability reports Company website	Trade policy implications Health, wellness & nutrition Environmental policy Food safety & quality
	Universities and research institutes	Internship assignments Graduation assignment Workplace work-learn courses Guest lectures Participation in company days	Training students Implementing new knowledge Sharing knowledge



Commitment external initiatives & memberships

Farm Frites is a member of numerous external initiatives and associations, both nationally and internationally. Many of these associations are focused on the promotion of sustainable practices in our industry.



**EUPPA**  
European Potato Processing Association  
> [www.euppa.eu](http://www.euppa.eu)



**VAVI**  
Dutch Potato Processing Association  
> [www.vavi.nl](http://www.vavi.nl)



**Belgapom**  
Belgian potato trade & processing industry association  
> [www.belgapom.be](http://www.belgapom.be)



**SAI platform**  
Sustainable Agriculture Initiative Platform  
> [www.saiplatform.org](http://www.saiplatform.org)



**Cool Farm Alliance**  
An industry platform for sustainable agriculture metric developments and use  
> [www.coolfarmtool.org](http://www.coolfarmtool.org)



**FNLI**  
Dutch Food Industry Federation  
> [www.fnli.nl](http://www.fnli.nl)



**RSPO**  
Roundtable on Sustainable Palm Oil  
> [www.rspo.org](http://www.rspo.org)



**BICEPS network**  
Network of shippers joining forces to accelerate the transition in the global shipping sector towards more sustainability.  
> [www.bicepsnetwork.org](http://www.bicepsnetwork.org)



**The Association of Sustainable Agriculture in Poland (ASAP)**  
Non-commercial initiative of companies and representatives of various branches in the food responsibility chain.  
> [www.rolnictwozrownowazone.pl/en](http://www.rolnictwozrownowazone.pl/en)



**Groene Cirkels**  
Partnership to work towards sustainable solutions  
> [www.groenecirkels.nl](http://www.groenecirkels.nl)



**SEDEX**  
Membership organisation that provides one of the world's leading online platforms for companies to manage and improve working conditions in global supply chains  
> [www.sedex.com](http://www.sedex.com)



2.6 RISK MANAGEMENT

# Protecting our organisation

As a food manufacturer, Farm Frites must properly mitigate all risks that may occur within our company to ensure the food safety of our products and to safeguard the health of our employees, in line with recognised international standards.

Farm Frites has identified and analysed the following risks:

- > Large-scale operational risks, such as climate change or protectionism, that have implications for continued operations
- > Food safety risk
- > Loss of financial liquidity
- > Non-conformity with legislation
- > Raw material issues
- > Impact of war on continuity of operations and sales
- > Impact of pandemic outbreaks on continuity of operations and sales

Two categories of risk deserve further elaboration. The availability of raw materials and commodities has been determined as being the largest risk for our organisation, while financial and operational risks are also of critical importance.

## Raw material and commodity risk



**Potatoes**

Potatoes are the main raw material for our production process. We have implemented a risk management tool with regard to potatoes to ensure business stability and continuity. Farm Frites limits price risk by entering into commodity contracts with suppliers for the majority of our planned production volume.



**Other raw materials**

Farm Frites uses raw materials such as cardboard and film for packaging, as well as oil and batter for production. We have a Commodity Risk Management approach in place to secure our supply of these materials and to hedge related risks. We use more than one supplier for every commodity and sign long-term supply contracts to initiate TCO (total cost of ownership) projects.



**Energy**

The price of gas, electricity and CO<sub>2</sub> certificates make up a significant part of the total cost price of our potato products. We source these utilities on medium-to-long term contracts (1 to 4 years) with our energy partners, or hedge them on financial commodity markets to mitigate financial risks.



Financial and operational risk



**Interest rate risk and cash-flow risk**  
The interest rate risk to the fixed rated debt is limited to possible changes in the fair value of loans taken up and granted. The interest rate for this debt is fixed over the entire term and the debt is held to maturity. Farm Frites’ policy is therefore not to use derivative financial instruments to control interim or other interest fluctuations on this debt.



**Liquidity risk**  
Farm Frites monitors its cash position by using successive liquidity budgets. Our management ensures that the cash position is sufficient to meet Farm Frites’ financial obligations towards creditors and to stay within the limits of the loan covenants as agreed upon with the banks.



**Currency**  
A substantial part of Farm Frites sales are outside the eurozone. The most important foreign currencies are the British pound, Polish zloty and United States dollar. We manage the currency risk on the British pound and Australian dollar through currency forward contracts that hedge outstanding trade receivables and expected sales for a period of one year. Our currency risk in Poland is managed through our Polish subsidiaries, which allow us to produce and sell our products in the same currency. The currency risk for outstanding trade receivables in US dollars is hedged by purchases in the same currency.



**Health and safety issues and non-conformity with food legislation**  
These risks are covered by HACCP, GMP and Quality policy. A crisis management manual is available and has been tested. The Quality department is responsible for food law requirements. In addition, we work together closely with an external expert company and legal professionals.



CRISIS MANAGEMENT

The first step in the crisis management process consists of the establishment of a Crisis Management Team (CMT). The Global Crisis Management Team consists of the senior management of our company. Farm Frites Global Risk and Crisis Management is based on a risk assessment that is defined by the impact and probability of the specific risk. The approach is used globally within the company.



# Putting our people and safety first

## 3.1 OUR COVID-19 RESPONSE

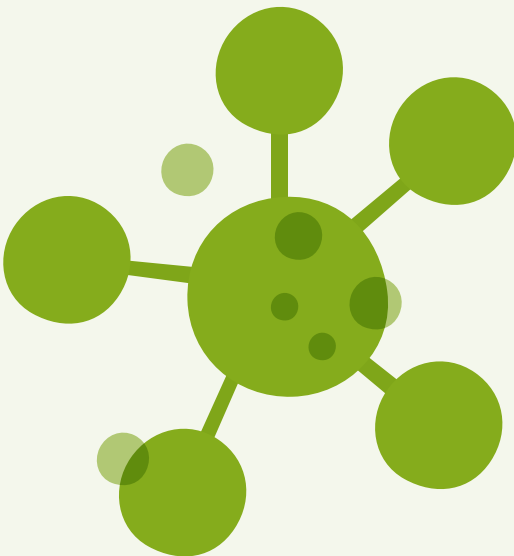
In early 2020, the COVID-19 pandemic impacted the health and livelihoods of people all over the globe. At Farm Frites, our first priority was the safety and well-being of our people. We took immediate measures to protect all our employees, while working hard to ensure continued business operations.

All employees non-essential to production were required to work from home. They were provided with all necessary equipment and support from our information technology team to do so. In our factories, we continued production under the safest possible conditions. We implemented strict social distancing and personal hygiene protocols and made face masks and hand sanitizer available throughout our facilities. When the guidelines set by local authorities allowed for the return of office workers, we made our offices suitable for socially distanced work. Thanks to taken measures, significant spread of the virus in our production facilities was prevented. Through our Corona Update newsletter, we kept all employees informed on the current situation, the current guidelines set by local authorities, as well as additional Farm Frites rules.





Most of our customers have also been heavily affected by the COVID-19 pandemic. Our team remained in close contact with our customers to support them wherever possible. As the market shifted and new opportunities arose, we provided guidance and advice to supply our customers with the most suitable products.



Taken measures:

1	2	3
Close communication with customers, employees and suppliers	Various measures to ensure continued awareness in all employees	All employees provided with personal protective equipment
4	5	6
No in-person meetings and events	Mandatory working from home for all office personnel	Suspension of business travel
7	8	9
Suspension of non-essential visits to our factories and offices.	Thermometer screenings for anyone entering our factories and offices	Strict social distancing protocols
10	11	12
Enhanced (personal) hygiene and sanitization protocols throughout our factories and offices	Plexiglass shields between workplaces	New ventilation systems for the offices

The COVID-19 pandemic also had a significant impact on our market. Demand from the foodservice sector dropped and led to a reduction in sales and output in our factories. Together with our growers and suppliers, we managed to find solutions to the challenges the COVID-19 pandemic introduced. For our growers in particular, the situation was difficult considering the limited shelf-life of their product, combined with the sharp reduction in demand. We supported our growers by fulfilling all our contractual obligations and purchasing all potatoes as agreed upon.



3.2 OUR STRATEGY & COMMITMENTS



# Creating a better, fairer and greener future together

Our sustainability strategy

The potato is a highly nutritious crop that plays a vital role in providing food for a growing world population. As a key player in the industry, Farm Frites has a responsibility in making the cultivation and production of potatoes sustainable. Through hard work and innovative solutions, we must ensure that both current and future generations can enjoy potato products, as we create a better, fairer and greener future together.

Our sustainability mission

Farm Frites is a recognized accelerator of sustainability in the potato chain. We are feeding the world with our top-quality, tasty potato products by working closely with our farmers, suppliers, customers, consumers and other stakeholders.

Commitments

The framework below shows the objectives of our seven sustainability focus areas.



Climate change and energy

By improving our energy efficiency and using more renewable energy, Farm Frites will reduce carbon emissions and contribute to the global effort to combat climate change.



Sustainable agriculture

To ensure we can provide food for a growing world population, Farm Frites will increase the sustainability of potato cultivation.



Sustainable packaging

Farm Frites is developing fully recyclable packaging that uses as little material as possible, while fully retaining all packaging functionalities and product quality.



Water management

As the planet becomes warmer, water is becoming an increasingly limited resource. By minimising our fresh water intake, we will reduce pressure on fresh-water resources.



Product

Farm Frites is committed to producing high-quality, food safe products in a responsible manner.



Food waste

Farm Frites is committed to minimising food waste, in order to increase the availability of food for the most vulnerable, reduce pressure on environmental resources, and counter climate change.



People and community

Farm Frites believes in doing business in a way that promotes the health and well-being of people both in our company and in the communities we are a part of.

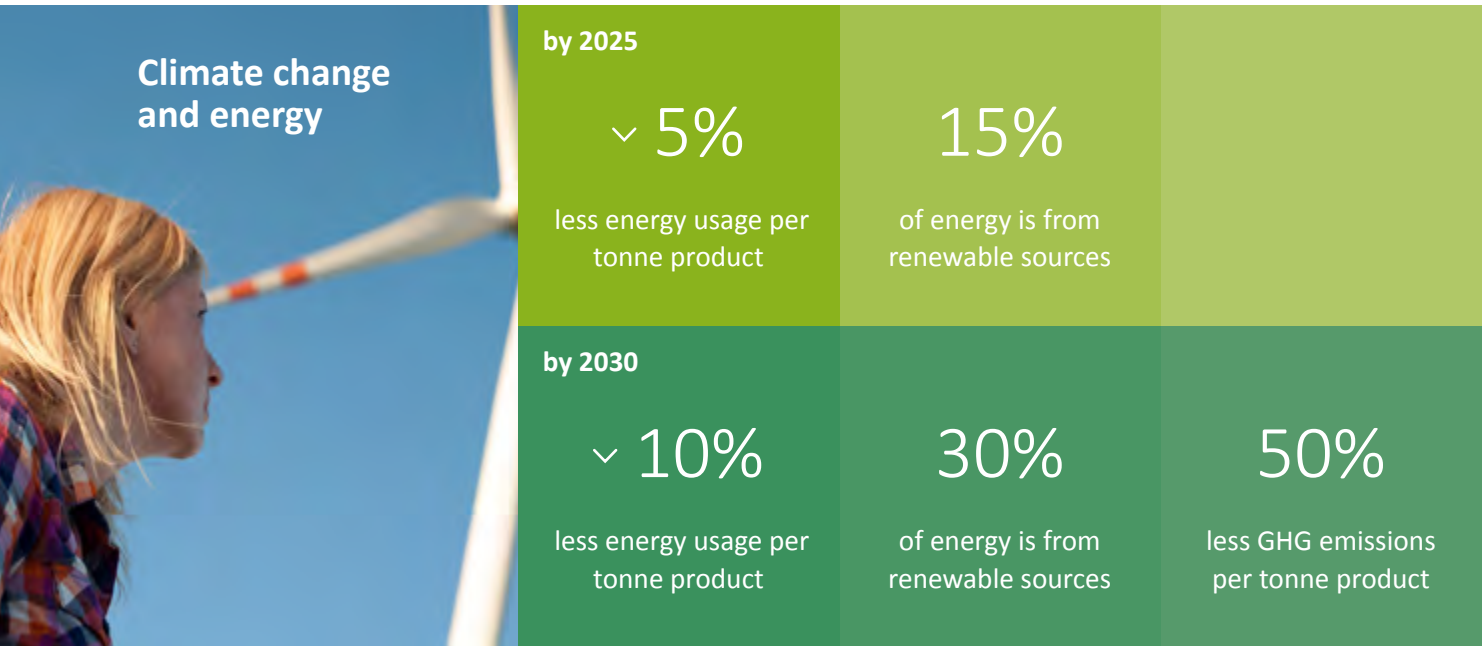


SUSTAINABLE VISION

# Moving from vision to action

Farm Frites is recognized accelerator of sustainability in the potato chain. We feed the world with our top-quality, tasty potato products by working together with our farmers, suppliers, customers, consumers and other stakeholders.

SUSTAINABLE FOCUS AREAS





## 3.3 ALIGNMENT TO SUSTAINABLE DEVELOPMENT GOALS



# How can we make the world **a better place for everyone?**

That is the question that the 193 countries of the United Nations set out to answer when they created the 17 Sustainable Development Goals, to be reached by 2030.

Farm Frites is committed to contributing to the Sustainable Development Goals and to help protect our planet and increase the well-being of people around the globe. By achieving the targets as described in this report, we will contribute most to nine of the seventeen goals, as can be seen below.



## General

8 13 15 17

## Product

12 17

## Climate change and energy

7 13

## Sustainable agriculture

2 8 12 13 15 17

## Sustainable packaging

12 13 15 17

## Water management

6

## Food waste

2 12

## People and community

2 3 7 17

## Wedding cake model

In the so-called wedding cake model, the 17 Sustainable Development Goals have been divided into three subgroups: biosphere, society, and economy. Sustainability is only possible when the correct mix of these subgroups is achieved. With our focus on topics in each of these three subgroups, Farm Frites maintains a good balance in that regard.



**FACT CHECK** Click on the fact for more info  
[The Sustainable Development Goals and how to help protect our planet](#)



3.4 MATERIALITY ASSESSMENT

# Where can we make the biggest impact?

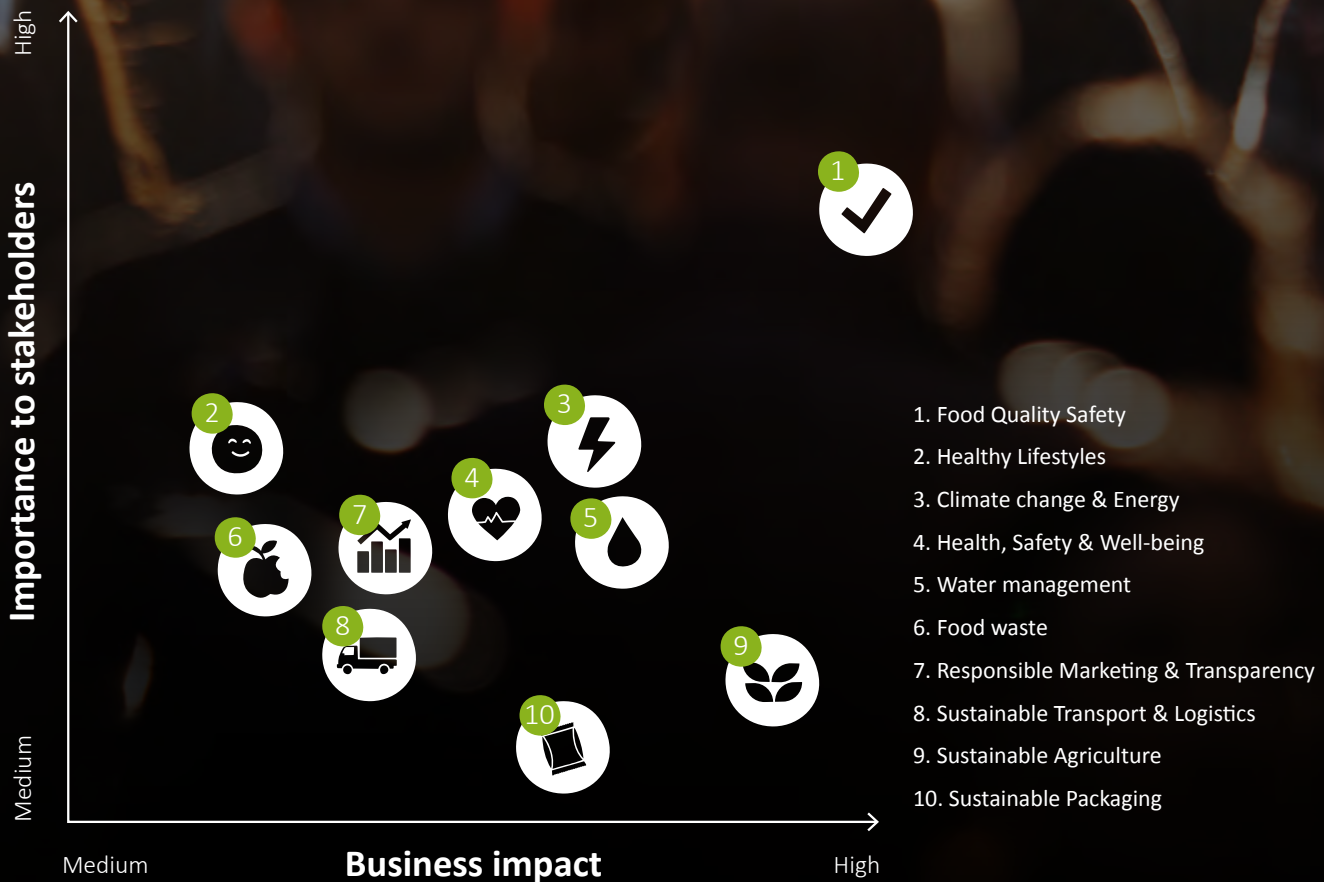
The goal of a materiality assessment is to identify the areas where we can make the biggest impact. Our materiality matrix was last updated in 2019. With the help of an external agency, we carried out the assessment as follows.

A longlist of topics was created by reviewing internal documentation, analysing significant topics in the food industry, and examining the material issues covered in existing standards and ratings, such as the Dow Jones Sustainability Index (DJSI), the Sustainability Accounting Standards Board (SASB), and CDP.

To draft the definite shortlist, we considered Farm Frites’ environmental, social or economic impact on each of these topics. In an interactive workshop, managers from different departments such as finance, marketing, operations and sustainability assessed whether our company’s impact on these topics was high, medium, low or non-existent.

Finally, the materiality matrix was created based on the quantitative stakeholder rankings of material issues and the business impact of these issues. We will update the matrix soon, when the European Union announces the exact requirements for sustainability reports.

The presentation of these topics has been changed compared to our previous sustainability report. A new Product chapter covers the topics Responsible marketing as well as Food quality and safety. The People and community chapter features more information about our role as an employer. Additionally, it discusses the topics Healthy lifestyles and Health, safety and well-being.





## 4

# Our focus areas

The following chapters cover Farm Frites' performance in the seven focus areas as introduced in chapter 3.2 (Our strategy and commitments). The chapters are composed of five sections. The background section describes the context and most important issues for each focus area. The boundaries indicate which parts of the supply chain the focus area applies to. We then discuss our overall strategy for the focus area in our management approach. The risk management section lists the possible dangers the area involves, both for the world at large and for our company in particular. We describe the measures we are taking to minimise these risks. Finally, the results section discusses how we performed in the focus area.



4.1 CLIMATE CHANGE AND ENERGY



# Our climate is changing

BACKGROUND

Human activities are warming our planet resulting in rapid changes to the atmosphere, oceans, and biosphere. The effects are being felt already as extreme weather events such as heatwaves, heavy precipitation, droughts, and tropical cyclones are increasing.

We must move towards a carbon-neutral society.

According to the Paris Climate Agreement, global warming must be limited to 2 degrees Celsius and preferably be kept below 1.5 degrees to avoid the worst effects of climate change. There is no one solution to achieve this. We must move towards a carbon-neutral society in which we remove as much carbon from the atmosphere as we emit. This requires us to look for ways to minimise greenhouse gas emissions across every part of life, in every country, and across every industry.



**FACT CHECK** Click on the facts for more info

[Effects of climate change are being felt already](#)

[According to the Paris Climate Agreement, global warming must be limited to 2 degrees Celsius](#)



BOUNDARIES



MANAGEMENT APPROACH

# Reducing our carbon emissions

By improving energy efficiency, we can reduce our energy consumption as well as related greenhouse gas emissions.

Farm Frites is committed to reducing its carbon emissions. In 2019, we pledged to implement decarbonization strategies in line with the Paris Climate Agreement. Our production process requires energy to blanch, dry, fry, and freeze our products. By improving energy efficiency, we can reduce our energy consumption as well as related greenhouse gas emissions. Our goal is to improve energy efficiency by 5% compared to our 2018 baseline by 2025.

To achieve this, all our production facilities have systems to measure, monitor and record energy usage in the different parts of production processes. We share energy consumption benchmarks across our production facilities. Moreover, an internal energy audit team regularly reviews each facility’s practices and equipment in order to identify opportunities for improvement. For example, several facilities have implemented heat recovery techniques, where heat generated during the frying process is re-used to blanch or dry our potatoes. Naturally, energy efficiency is also investigated as part of external audits. We use the results to monitor and potentially improve our performance.

RISK MANAGEMENT

# The use of fossil fuels contributes to climate change

Our organisation is constantly researching technical solutions to further reduce our use of fossil fuels.

Our production process uses fossil fuels, mostly natural gas. There are several reasons why Farm Frites must reduce its dependence on non-renewable fuel sources. Most importantly, the use of fossil fuels contributes to climate change. Moreover, the availability of fossil resources will be limited in the future. Laws and regulations will increasingly disincentivize the use of non-sustainable energy.

Our organisation is constantly researching technical solutions to further reduce our use of fossil fuels. To reach carbon neutrality, we will have to change our production processes and generate heat using sustainable energy sources.





# Goals & Results

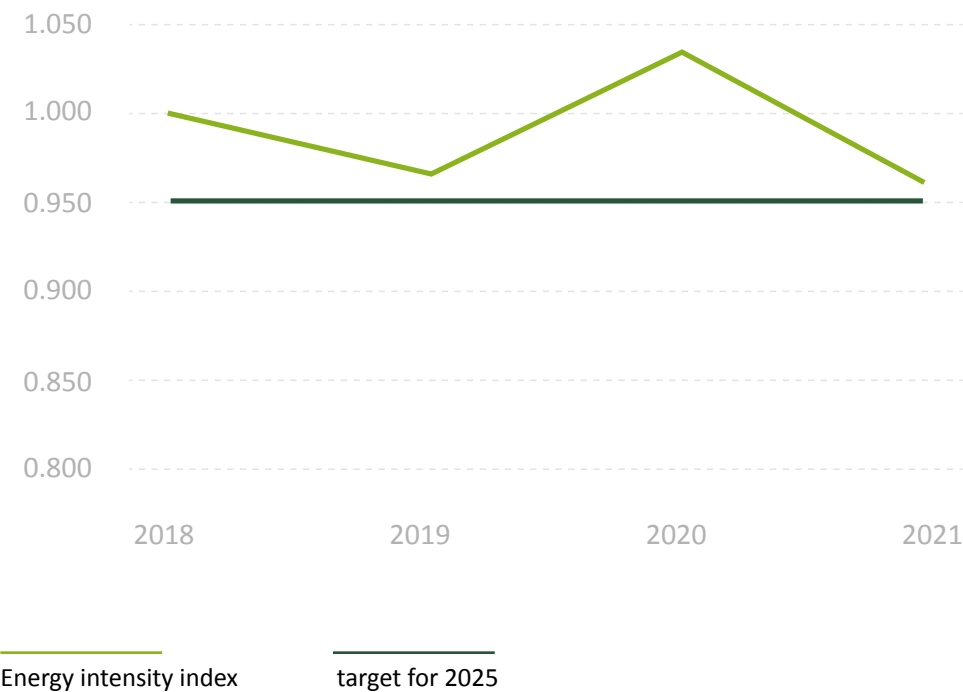
### Goal 1 | Energy Intensity

The reduction of energy consumption is crucial in limiting carbon emissions. For Farm Frites, this involves increasing the energy efficiency of our production process. We measure this goal in energy intensity: the amount of energy required to produce a tonne of our product.

✓ 5%  
By 2025, energy intensity in kWh/t will be at least 5% lower than in 2018.

✓ 10%  
By 2030, energy intensity in kWh/t will be at least 10% lower than in 2018.

Energy intensity Farm Frites Group



### RESULTS

Farm Frites has made progress in reducing the energy intensity of its production process. In 2019, we realised a reduction of 3.3%. Due to the COVID-19 pandemic, output in our factory was lower in 2020, which negatively impacted energy efficiency. However, last year we continued the

downward trend as we reduced energy intensity by 3.7% compared to the 2018 baseline, bringing us closer to our goal of decreasing energy intensity by at least 5% by 2025.



Goal 2 | Renewable Energy

Using renewable energy instead of energy generated from fossil fuels reduces carbon emissions. Farm Frites wants to increase its share of sustainable energy, such as wind, hydro and solar.

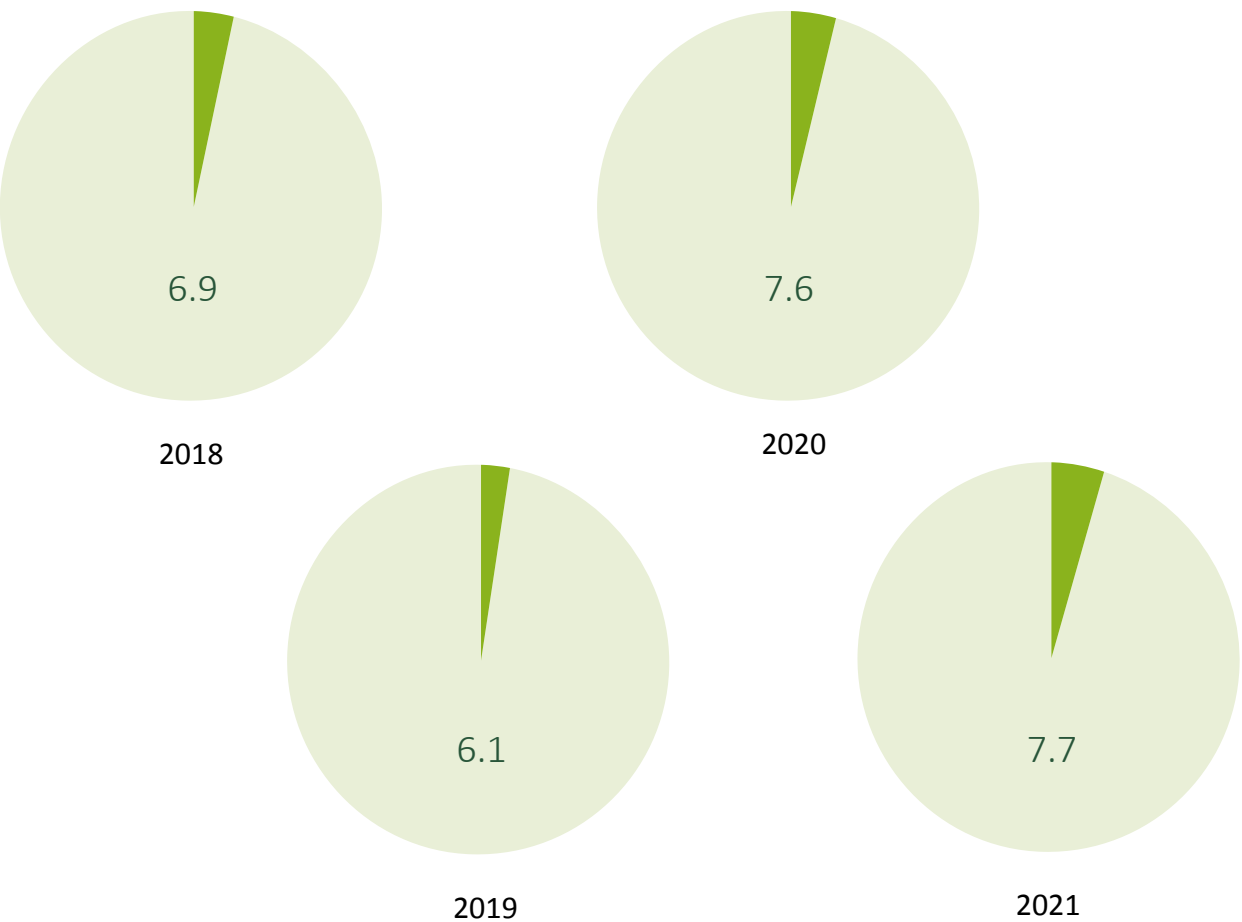
15%

By 2025, at least 15% of our energy will be from renewable sources.

30%

By 2030, at least 30% of our energy will be from renewable sources

Share of renewable energy %



RESULTS

Over the past four years, our share of renewable energy has increased from 6.9% to 7.7%. This has been achieved by purchasing more green

energy and by using biogas captured during water purification. To reach its goals, Farm Frites is also taking steps to generate solar power.

Goal 3 | CO<sub>2</sub> emission

Farm Frites has set the goal to minimise carbon emissions intensity in scope 1 (emissions directly related to our own activities) and scope 2 (emissions related to the energy we purchase) by 50% (compared to 2018) by 2030. Moreover, Farm Frites aims to achieve carbon neutrality by 2050.

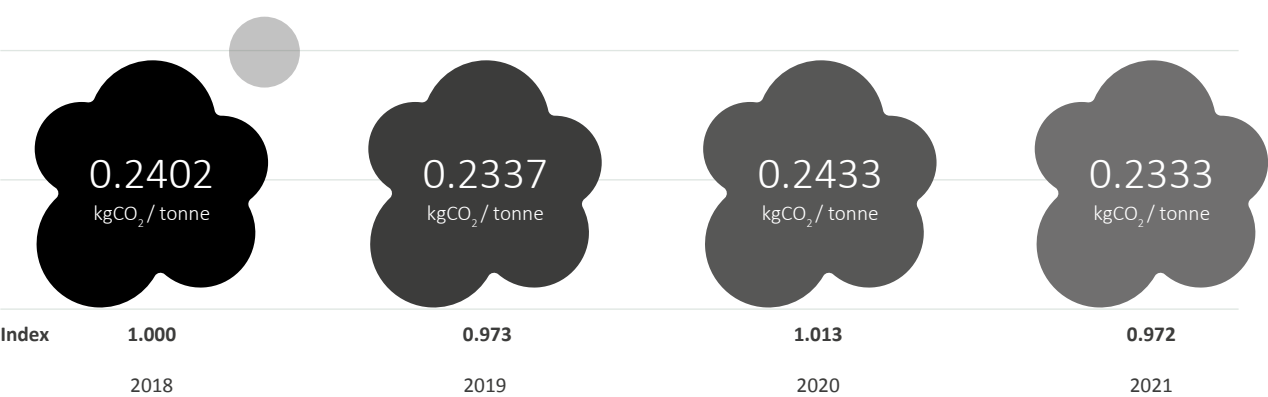
50%

By 2030, the intensity CO<sub>2</sub> emissions (scope 1&2) in kg CO<sub>2</sub>eq/t will be 50% lower than 2018.

100%

By 2050, Farm Frites will be carbon neutral.

CO<sub>2</sub> intensity Sc1&2



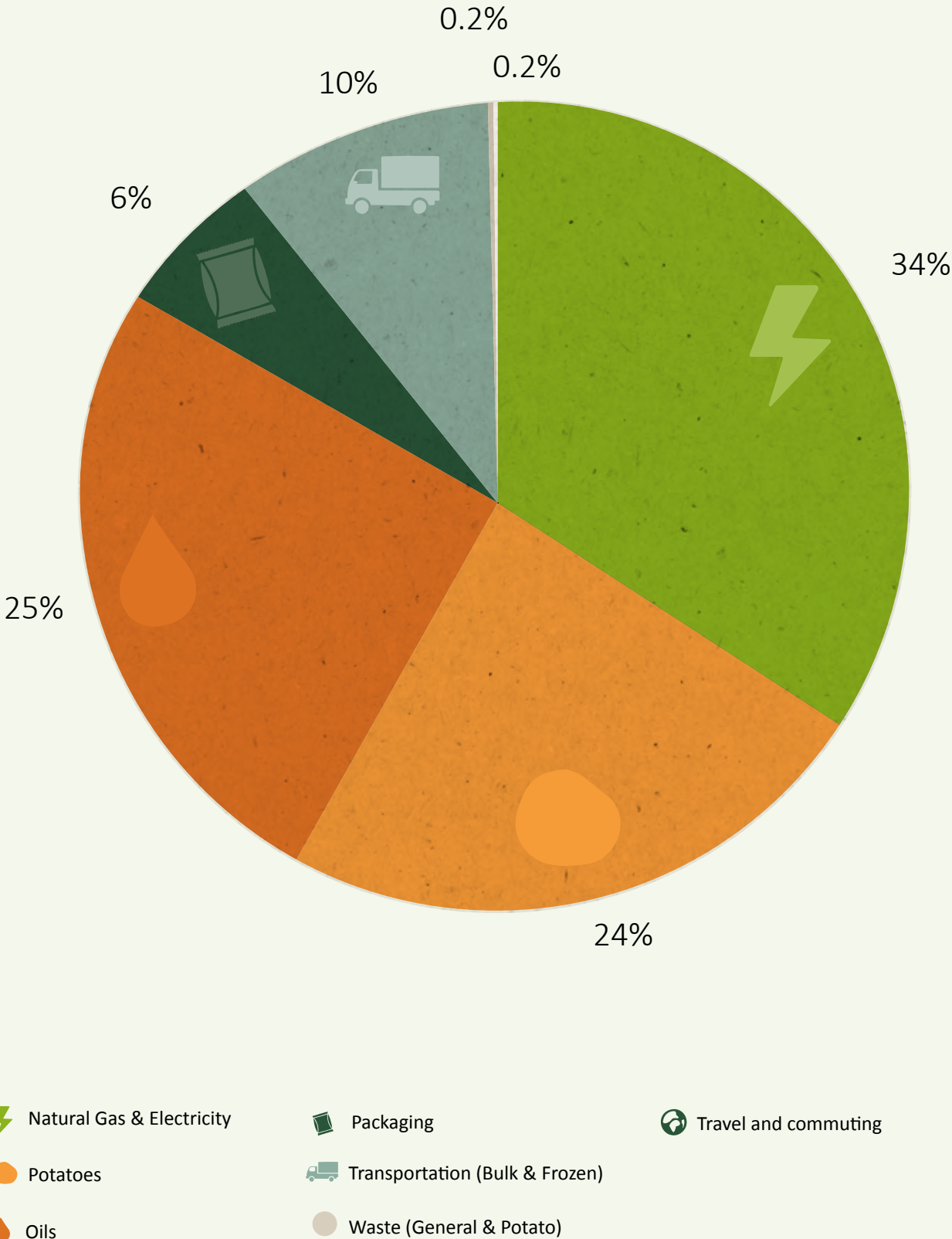
RESULTS

In the past four years, progress has been made, mainly by improving the efficiency of our production lines. To reach our 2030 goal however, we will need to take additional steps to reduce our emissions, following the reduce, reuse, reimagine approach. Reduce involves preventing

unnecessary energy usage and associated emissions through efficiency. Reuse is about making use of excess energy that is currently lost, such as heat. Reimagine refers to using alternative sources of energy.



CO<sub>2</sub> breakdown by category



Mapping our emissions footprint

To track and measure emissions more effectively, the Greenhouse Gas Protocol divides emissions into three scopes.

Scope 1 Direct emissions

Scope 1 covers emissions from sources that Farm Frites owns or controls directly. For example, it includes fossil fuels used in company cars, or emissions resulting from production processes in factories.

Scope 2 Indirect emissions from purchased electricity

Scope 2 covers emissions related to purchased electricity. Emissions in this scope can be reduced by using less energy, purchasing more sustainable energy, or generating our own renewable energy.

Scope 3 All other indirect emissions

Scope 3 covers all emissions not included in scope 1 and 2. These are emissions related to products and services of which we do not own or control the source, but that our organisation is indirectly responsible for. Examples include business travel, logistics and use of purchased products, such as potatoes, oils and machines.

Corporate Standard for scope 1 and scope 2. Although the calculation does not reflect a full scope 3 inventory, we have made important progress in measuring emissions in this scope and aim to add the remaining scope 3 categories in 2022. The total emissions footprint is 744 kg CO<sub>2</sub>-eq/tonne of product until coldstore.

Scope 1 and 2 make up 28% of our products' emission footprint. These scopes are directly under our control, and we are working to decrease these emissions by 50% by 2030 (compared to 2018). At 72%, scope 3 accounts for the largest part of our products' footprint. Emissions in this scope are not directly under our control, so we are working together closely with our suppliers to make progress and reduce these emissions as much as possible as well.

To create a clear picture of which activities account for the most greenhouse gas emissions, Farm Frites has calculated the emissions of our product that includes each of these scopes. This calculation conforms with the GHG Protocol

**FACT CHECK** [Click on the facts for more info](#)

[Check for more details on how our emissions footprint were calculated](#)



## SUSTAINABLE TRANSPORT &amp; LOGISTICS

# Carefully monitoring logistical challenges

Farm Frites is committed to reducing greenhouse gas emissions, not just in its own operations, but also in those of its supply chain partners. Accounting for 15% of our scope 3 emissions, transport and logistics are a key area to focus on. After being harvested, our potatoes are moved from the farm to a factory, then to a cold store, before finally being transported to customers all over the world.

By increasing load efficiency, optimising planning, and avoiding empty truck and container movements, we can reduce nuisance and air pollution and minimise carbon emissions.

Our factories in Europe supply European customers by road, rail, and short-sea shipping. Latin America, Asia, and the Pacific are supplied by global container shipping, mainly from ports in the Netherlands, Rotterdam and Belgium, Antwerp. Our Egyptian factory supplies the Middle East and Africa.

Logistics challenges such as road congestion, capacity and labour shortages at seaports, and COVID-19 related lockdowns all impact the deliveries to our customers. Together with our logistical partners, we carefully monitor all these challenges. This allows us to respond to events quickly and ensures we can keep delivering our products in accordance with our clients' requirements.

Transport also influences its immediate environment through noise, air pollution, traffic load and the chance of traffic accidents. Moreover, current transportation methods rely on fossil fuels, the use of which leads to CO<sub>2</sub> emissions. Farm Frites is working with its logistical partners to further optimise how we get products from our farms to our customers. By increasing load efficiency, optimising planning, and avoiding empty truck and container movements, we can reduce nuisance and air pollution and minimise carbon emissions.

Over 80% of Farm Frites International's truck transport (potatoes and final products) are transported by Farm Trans, an innovative company in the sustainable transportation of food. They continuously invest in the reduction of their ecological footprint, for example through

more climate-friendly vehicles and advanced IT systems for efficient logistical planning. Their current goal is to reduce their CO<sub>2</sub> emissions per kilometre with 13% by 2023 (compared to 2019).

Those ambitions are reflected in Farm Frites' carbon emissions figures for road transport (scope 3). In 2019, emissions were 0.95 kg/km. In 2021, this was reduced to 0.92kg/km for conditioned transport: a 3.1% improvement. For bulk transport, emissions were even brought down to 0.90kg/km, which is a reduction of 5.2%. Farm Frites' global container shipments are handled by Kien Logistics Management. Kien Logistics Management is a non-asset based service provider, created to boost logistics cost-saving initiatives and coordinate the delivery of Farm Frites' global container shipments. This partner stands for sustainable, future-proof global logistics. In global container shipping, relative emissions increased. Due to the COVID-19 pandemic the global transportation system was highly inefficient. Drops in demand led to a decrease in the loading efficiency of containers and ships and a higher carbon footprint. This caused an upward trend from 0.0998 kg/km in 2018 to 0.1108 kg/km in 2021.

**FACT**

Farm Frites' scope 3 includes transport from farm to cold store. It does not include transport to our customers.

Global container shipping is not included in our scope 3. However, Farm Frites does aim to improve sustainability in this area as well.



GEERT JOOSTEN  
Energy specialist

“The most sustainable energy, is the **energy you don't use.**”

Talking to Geert Joosten, you get the impression that he's seen every nut and bolt in our Lommel factory. And with his 32 years at Farm Frites, he just might have. Geert started as an energy technician in the early nineties, to become head of the technical department and energy coordinator of the factory today. His mission: to make production as energy efficient as possible: “The most sustainable energy, is the energy you don't use.”

“Using common sense and practical knowledge of the factory, you can achieve remarkable results.”

**Could you take us on a 'guided tour' through the Lommel factory and discuss some of the ways energy is being reduced?**

“We have a cogeneration installation on site, which generates electricity, steam and hot water that we use in our factory. Just across the street from us, our potato peels are made into biogas that fuels biogas engines. These engines not only provide green energy for 12,000 families, but also generate steam that we reuse in the factory. A recent addition are our so-called baking fume condensers that recover heat from the frying process to be used to dry our potatoes. And of course, there's a long list of smaller, but important optimisations. For example, we use modern, efficient IE4 engines in our machines, and we've lowered the pressure of our compressed air system. All these measures make a real difference.”

**How are you working on energy efficiency day to day?**

“Central in our efforts to increase our energy efficiency is our energy monitoring system, Enconnect. This system updates every fifteen minutes with the latest data on energy and water usage. This allows us to monitor the production lines in detail. So whenever we see an increase in energy, we know we need to fix something. To give an example, we recently saw an uptick in

energy usage and narrowed down the problem to an oven. It turned out the steam trap wasn't working properly and needed to be replaced. The system allows us to stay on top of our energy consumption every moment of the day.”

**What is the biggest challenge the future will hold?**

“To drastically reduce our carbon emissions. The production of fries requires a lot of natural gas, so we will need to adjust our production to make it less carbon intensive. We are currently researching two possible approaches. The first is to make the use of natural gas emit less CO<sub>2</sub>. It is possible to capture the carbon and reuse it for applications such as packaging or to sell it. The second is to find alternative heat sources.”

**What makes your job fun to do?**

“What I enjoy most is the process of constantly doing better. I started here as a rookie, and I learned everything on the job. Using common sense and practical knowledge of the factory, you can achieve remarkable results. It's very rewarding to see your efforts pay off.”



## 4.2 SUSTAINABLE AGRICULTURE



# Sustainable potato growing for a greener planet

## BACKGROUND

According to the United Nations, approximately 9.7 billion people will share our planet by 2050. In order to provide food for all those people, the world will have to produce an estimated 60% more food than it does today. At the same time, the available land for agriculture is in decline, as fields are being turned into cities, industrial sites, or recreational areas.

The challenge for agriculture is to continue to feed a growing world population on a shrinking acreage.

In short, the challenge for agriculture is to continue to feed a growing world population on a shrinking acreage. More than ever, our sector needs to operate with great care and responsibility. Sustainable agricultural practices are indispensable in ensuring the food security of people all over the globe. It requires us to grow food as part of balanced ecosystems. To not take more than our soil can handle. To minimise our use of pesticides and fertiliser, and use alternatives whenever possible. Only by adopting sustainable farming practices that safeguard the long-term health of our planet, can we ensure that people worldwide will have enough food in the coming decades.

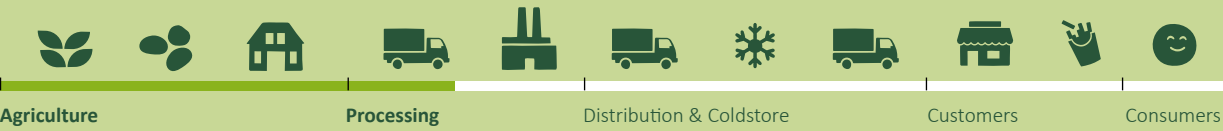


**FACT CHECK** [Click on the fact for more info](#)

[According to the United Nations, approximately 9.7 billion people will share our planet by 2050](#)



BOUNDARIES



MANAGEMENT APPROACH

# Supporting our farmers to grow potatoes

Over 700 farmers provide Farm Frites with our most important raw material: the potato.

We do everything to support our growers during cultivation. Our team of 26 potato specialists, trained in-house, allows our growers to take advantage of Farm Frites’ decades of experience in potato production. These potato specialists help our growers with innovation, the implementation of new cultivation techniques, and growing new varieties. They also support our growers in dealing with diseases and defects, and achieving the best possible yield and quality in the most sustainable way.

Naturally, food safety is a top priority in our organisation. All our farmers employ strict food safety standards. One of our sustainable agriculture goals is to certify 100% of our potatoes under a safety scheme such as Global G.A.P, VVAK or Vegaplan. Moreover, we have various processes in place to safeguard the quality of our product. For example, during the pre-sampling process, we test our crops on over fifty metrics, such as defects, colour, length, and starch content. Farm Frites also employs a system to ensure potatoes can be traced back to the farm they were grown.

RISK MANAGEMENT

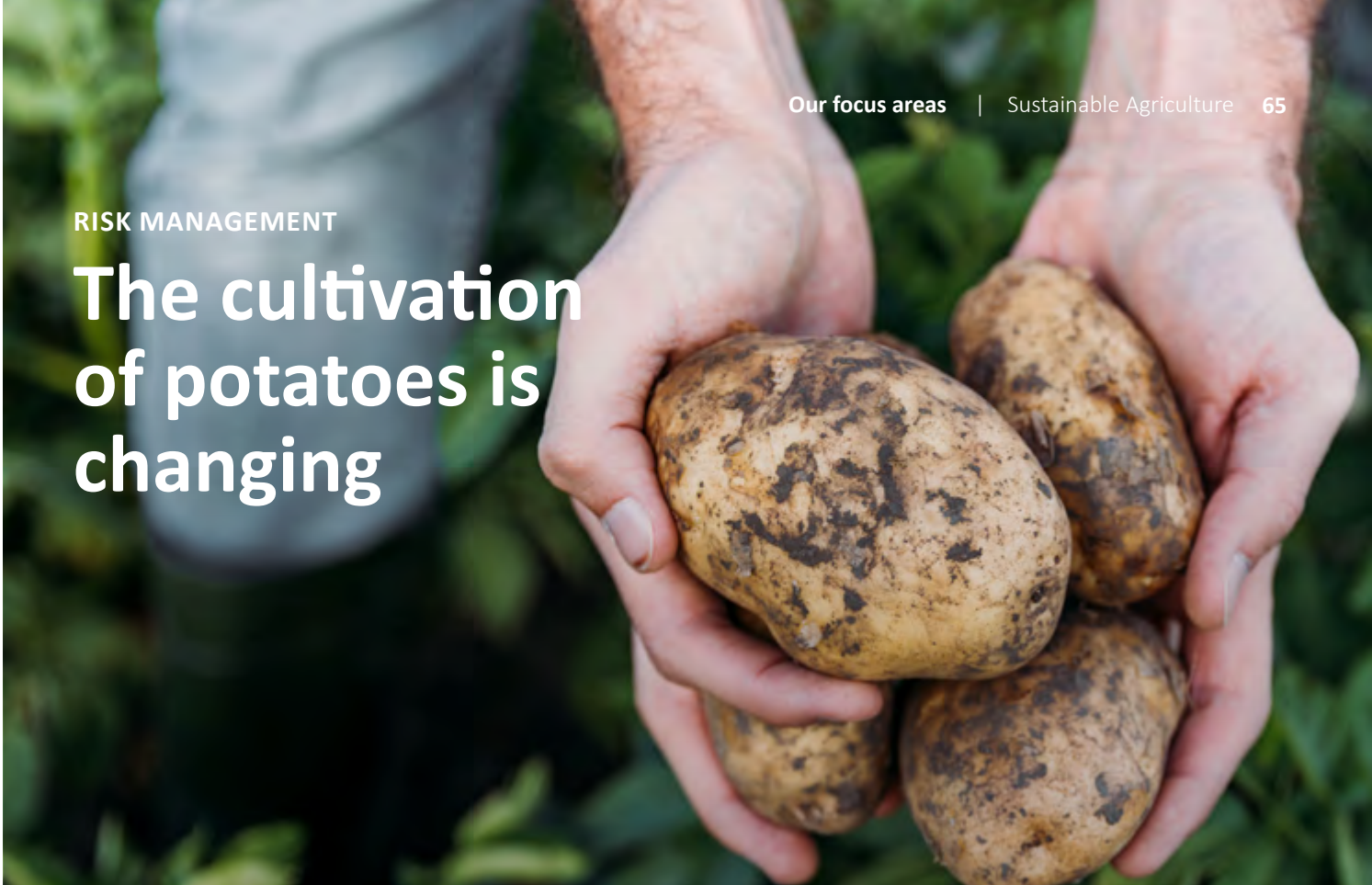
# The cultivation of potatoes is changing

The potato is a natural product. That means that quality and yield of the potato harvest will be different from year to year, as factors such as temperature and rain fall fluctuate. Moreover, regulations on the use of fertilizer and pesticides are becoming stricter and climate change is making weather conditions more erratic and harder to predict. In short, the cultivation of potatoes is changing. The risk of defects or loss of crops is increasing, and it is becoming more challenging to ensure the quality and quantity of the harvest.

Through our expertise and experience, Farm Frites is working constantly to make its harvest as consistent as possible every single year. Our agronomists monitor weather conditions closely and work with our experienced growers to take appropriate action when needed. Moreover, the development of new varieties helps us by introducing new types of potatoes that are more nutrient efficient, less susceptible to disease, and more resilient to changing weather conditions. Finally, by growing potatoes in different countries, we reduce the impact of unexpected events in any one location.

Of course, the cultivation of potatoes also has an impact on our environment and the climate. We are taking action to make potato cultivation sustainable and to minimise our environmental impact on ecosystems and biodiversity. This also includes the reduction of carbon emissions, using water as efficiently as possible, and limiting the use of pesticides and fertilizers. Our agronomists support our growers in achieving these goals as they implement sustainable farming methods.

Farm Frites also organises events where growers meet to share their knowledge and experience with each other. For example, we held ‘Tour de Farm’ events in Belgium, Poland, and the Netherlands, which involved workshops for farmers to learn about sustainable cultivation techniques. Farm Frites also organised the Farmer Knowledge Events to share specialist knowledge on sprout inhibition. And during the COVID-19 pandemic, we ran webinars on sustainable farming.





# Goals & Results

## Goal 1 | Traceability

Traceability makes it possible to determine on which farm or even which field potatoes were grown. This allows us to deal effectively with situations involving contamination or foodborne illness. By being able to trace back where crops were grown and processed, the source of the problem can be quickly found and addressed.

### RESULT

When Farm Frites set this target in 2018, approximately 95% of our crops were traceable. In 2021, our organisation reached this goal, meaning

100%

All our potatoes will be fully traceable by 2025.

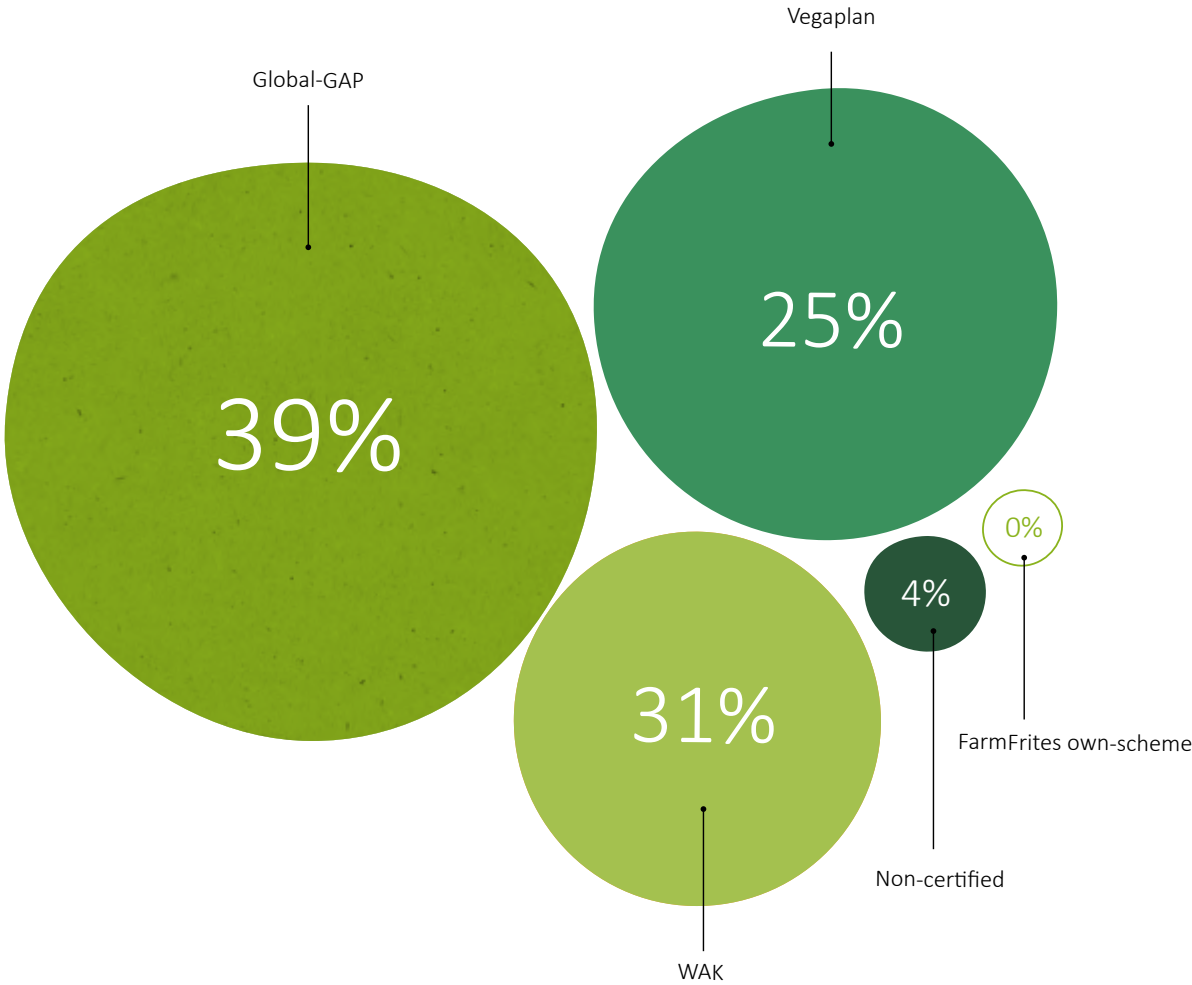
that today 100% of our potatoes can be traced back to the farm they were grown.

## Goal 2 | Food Safety

Food safety is a top priority at Farm Frites. Therefore we want all our potatoes to be certified. Through food safety certifications, we verify that growers have the required processes in place to ensure our potatoes are safe for consumption.

By 2025, all our potatoes will fall under a certified safety scheme.

Percentage of potatoes under a certified safety scheme - 2021



### RESULT

In 2021, 96% of all processed potatoes fell under a food safety scheme. The 4% of non-certified potatoes involved our new farmers in Egypt. Since it is challenging to arrange an external audit in Egypt, our first priority is to certify these new farmers according to Farm Frites' own food safety scheme. This scheme is based on Global G.A.P., yet has additional aspects of the Dutch VVAK certification.

Cert of Potatoes	2018	2019	2020
% Global-GAP	38%	38%	40%
% VVAK	33%	31%	28%
% Vegaplan	26%	27%	28%
% Farm Frites	0%	1%	3%
% Non-certified	3%	3%	1%



Goal 3 | Sustainability

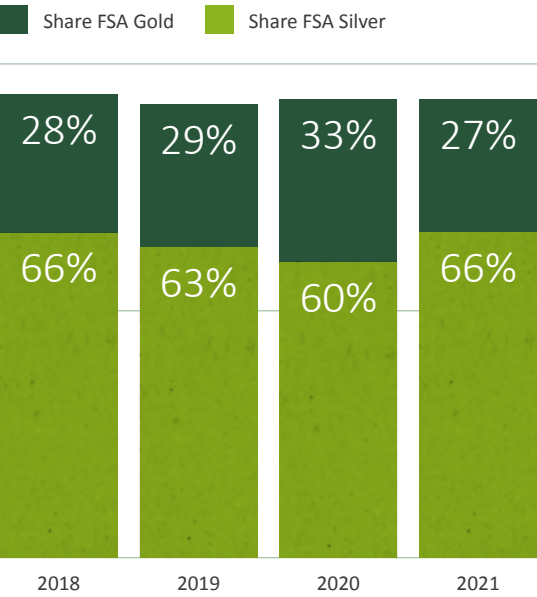
The Farm Self-Assessment (FSA) helps us determine how sustainable our potato cultivation is. Farm Frites wants to meet the requirements of the FSA Bronze level for 100% of its potatoes. Additionally, Farm Frites wants 50% of its potatoes to perform at the FSA gold level by 2025.

50%

By 2025, at least 50% of our potatoes will perform at the FSA gold level.

100%

By 2025, all our potatoes will perform at the bronze level of the Farm Sustainability Assessment (FSA) or higher.



Share FSA Farm Frites Group

Potato Certification (Food safety)	Quantity			
	2018	2019	2020	2021
FSA-Gold (%)	28%	29%	33%	27%
FSA-Silver (%)	66%	63%	60%	66%
FSA-Bronze (%)	0%	0%	0%	0%
FSA-not yet Bronze (%)	7%	7%	7%	7%

RESULT

In the last four years, 7% of our crops did not yet perform at the FSA Bronze level. It will be a major focus for Farm Frites in the coming years to reach this goal.

From 2018 to 2020, the share of ‘gold potatoes’ grew steadily. This was the result of our sustainable agriculture managers and agronomists

working closely with field managers to maintain and improve sustainability practices. With the COVID-19 pandemic, the focus within our organisation shifted, which led to a decline in the numbers in 2021. Farm Frites will redouble its efforts to meet this goal by 2025.



THE FARM SELF-ASSESSMENT (FSA) EXPLAINED

The FSA was designed by the Sustainable Agriculture Initiative (SAI) platform. It is a recognised tool across the food and beverage industry to indicate the sustainability level of farms.

The FSA consists of 112 questions, divided into three levels with increasingly complex requirements: ‘Essential’, ‘Basic’ and ‘Advanced’. The ‘Essential’ questions are concerned with decent citizenship (e.g. prohibiting forced or bonded labour) and should be easy to comply with for any farmer working towards sustainability. The ‘Basic’ questions identify the fundamental elements of sustainable farming, and the ‘Advanced’ questions address additional sustainable farming practices.

The FSA is organised by topic (e.g. crop protection), in phases (e.g. assess, plan, store), and by focus areas (i.e. people, planet, profit). After the FSA is filled in, a performance score is automatically generated. The performance levels are determined as follows:

**BRONZE**  
Compliance with 100% of the ‘Essential’ questions and at least 75% of the ‘Basic’ questions.

**SILVER**  
Compliance with 100% of the ‘Essential’ and ‘Basic’ questions.

**GOLD**  
Compliance with 100% of the ‘Essential’ and ‘Basic’ questions, and over 75% of the ‘Advanced’ questions.

There are two ways to achieve an FSA score. Farmers can of course fill in the assessment, but it is also possible to reach an FSA level by complying with a different sustainability scheme that has been benchmarked on the FSA. For example, compliance with EU food safety legislation has been benchmarked as to be equal to the FSA Silver level. This system of benchmarking increases the reach of FSA and prevents unnecessary efforts for farmers and companies. Naturally, the benchmark audits are carried out by accredited control authorities.



## BEST PRACTICE

# More biodiversity through flower strips

Neat rows of crops surrounded by wild nature. That is the idea behind an initiative to improve the biodiversity of agricultural land and public green spaces in the south-west of the Netherlands. By growing flowers on the edges of agricultural fields, nature is given a chance to flourish. An initiative Farm Frites proudly supports.

The project is a collaboration between many different parties. Local growers, municipalities and regional water authorities are working together with Green Circle Sustainable French Fries Chain, a partnership between Farm Frites, the province of South Holland, Wageningen University & Research and HAS University of Applied Sciences. The advantages of flower strips are many. They attract insects, resulting

in natural plague regulation. They reduce the loss of plant nutrients into surface water. And by providing shelter and food for insects and animals year round, the natural value of the area is increased. Under the ground more organisms are attracted as well, which makes the soil healthier.



**ANDRZEJ MOCH**

Expert on planet-friendly production methods



# Down-to-earth Sustainability

As agricultural sustainability manager, Andrzej Moch is one of our experts on planet-friendly production methods. Trained as an agronomist, he speaks the same language as farmers. But thanks to his fifteen years at Farm Frites, he also has a deep understanding of the business side of our organisation. We ask Andrzej about his passion for agriculture, the importance of sustainability, and his experience working with farmers to improve their production methods.

“Sustainability is more than the marketing and the slogans.”

**Why did you decide to go into agriculture?**

“I first started studying agriculture, simply because I liked biology in high school. It was only during my studies that I discovered I had a real passion for the field. I enjoy the cooperation with nature, even though it sometimes feels more like a fight! I also like how agronomy actually covers many fields of study. It’s not just about the plants, the soil, and water management, but also about negotiation, working with people, and environmental protection. You need different skill sets. Finally, I enjoy working at the start of the food production chain. If you do your job well, you are feeding the world.”

**What is it like to work with farmers on improving their sustainable practices?**

“Many farmers are actually already working sustainably without realising it. For example, every farmer is already thinking about how they can reduce the use of fertilizer or crop protection products, simply because of the cost. When farmers understand what sustainability really is, they realise it can help them raise efficiency and profitability. So, our role is to help them find and take advantage of opportunities to improve even further. We provide advice and keep them on the right track. In my experience, Polish farmers are ambitious and want to compare to farmers in Germany and the Netherlands. They pick things up quickly.”

**What achievement are you most proud of?**

“Farm Frites is one of the founders of the Association of Sustainable Agriculture in Poland. Through the association, we have ‘translated’ the Farm Sustainability Assessment created by the SAI platform into a guide book for farmers. We asked academics and other specialists to take topics such as water management or crop protection and describe what they mean practically. Based on the guide book, we also developed an e-learning platform, which now has over seventy lessons on it, with new topics being added every year. For example, in 2021, we added modules on financial stability and greenhouse gas emissions. These efforts are making it easier and easier for farmers to learn about sustainable production.”

**Why is sustainability important to you?**

“We need to remember that sustainability is more than the marketing and the slogans. In thirty years, we won’t have any more fields than we have now, but there will be more and more people. If we go into very intensive production today, we will be depleting the soil, which means that yield will not be the same in a few decades. If we make the wrong decisions now, there will be no going back. Sustainability is simply a must.”



## BEST PRACTICE

# The Farm Frites Potato Handbook

Farm Frites has been producing french fries and other potato products for over half a century. Decades of experience and expertise can be found throughout our organisation. That thought is what inspired an international team of Farm Frites potato specialists to work together to gather and record as much of the potato knowledge within our company as possible. The result: the Farm Frites Potato Handbook!

The book covers all aspects of potato growing and storing potatoes, throughout the potato supply chain. Going forward, it will be a tool for improving our potato quality, sharing our knowledge and better understanding the challenges we face. Of course, the potato world is dynamic,

meaning that this document must be updated regularly to describe all the latest conditions, technology, legislation and knowledge on how to grow and store the potatoes needed to produce the best fries of the world!





## 4.3 SUSTAINABLE PACKAGING



# A smarter way to package

**BACKGROUND**

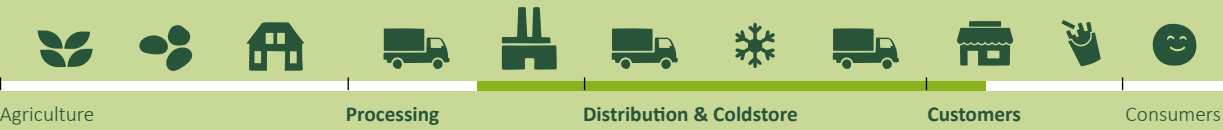
Packaging serves to protect a product during storage and transport, to ensure it reaches the end customer undamaged and suitable for consumption.

Sustainable packaging focuses on efficient use of resources, recycling, and the prevention of waste.

The production of packaging has an impact on the environment through carbon emissions and pressure on natural resources such as wood. Moreover, packaging is often discarded as waste after use, which is also harmful to the environment. A sustainable approach to packaging is required, which focuses on efficient use of resources, recycling, and the prevention of waste.



BOUNDARIES



MANAGEMENT APPROACH

# We are constantly working to optimise our packaging

Packaging is the first point of contact for (end) users with our product. It is the representation of our brand. Moreover, packaging protects the quality and food safety of our product throughout the supply chain and provides relevant information, such as nutrition facts or preparation instructions. We are constantly working to optimise our packaging in order to minimise our environmental impact. Taking into account laws, regulations and our clients' requirements, our packaging specialists are focused on five areas:

1. Optimising the amount of material used

We are working closely with our suppliers to reduce the amount of plastic used for packaging by making the film both stronger and thinner. By using less plastic, we reduce carbon emissions associated with the production of the packaging material and minimise both waste and material to be processed after use. Product loss has a larger environmental impact than reductions in packaging material can make up for. Packaging material must be minimised, while guaranteeing the shelf life, quality and food safety of our product and avoiding product loss.

2. Using recycled material

Our cardboard boxes are made out of 88%

recycled fibres. Packaging requires a mix of recycled material and fresh fibres, to ensure sufficient strength. Our aim is to use the mix of recycled and virgin fibres that has the smallest environmental impact.

3. Making all our packaging material recyclable

Our entire frozen portfolio uses recyclable film. An intensive project is currently ongoing to develop recyclable packaging for our chilled portfolio as well.

4. Increasing transport efficiency

As our company serves multiple markets, we need to account for a wide range of customer demands in our packaging. We are constantly optimising the size and shape of our boxes to meet all customer demands and to improve loading efficiency in trucks and containers. A smart box design reduces carbon emissions per tonne of product.

5. Using renewable materials

As part of our Planet Positive Fries project, we are using plant-based plastic for our product bags and recycled plastic in our stretch film. Farm Frites is currently researching what role renewable materials can play in our packaging portfolio going forward.

RISK MANAGEMENT

# Minimising our environmental impact



Our packaging is made using fossil fuels and natural resources. The availability of fossil resources is limited, which can lead to scarcity and increased prices in the future. By constantly developing our packaging as described above, we will become less dependent on these non-renewable resources and minimise our environmental impact.



# Goals & Results

### Goal 1 | Packaging intensity

Packaging intensity indicates how much packaging was used per tonne of product. It involves the sum of all plastic bags, stretch film and cardboard. By improving our packaging intensity, we reduce associated carbon emissions, use less natural resources, and prevent waste.

Farm Frites’ goal is to reduce packaging intensity by 10%, while fully retaining product quality and avoiding product loss.



Farm Frites will use 10% less packaging material per tonne of product by 2023, compared to 2018.

#### RESULTS

The COVID-19 pandemic had a large impact on demand, especially from the food service industry. This made it necessary to make many changes in our product portfolio in order to serve alternative markets and client groups. As a result, we were not able to optimise our current portfolio and reduce our overall packaging intensity.

**Packaging intensity and Plastic (bags+film)**  
However, while the overall packaging intensity has increased, a closer look at the numbers reveals that progress has been made in in our use of plastic film. Compared to 2018, the amount of plastic per tonne of product was reduced by 1.5% in 2021.

#### Cardboard

The overall packaging intensity did not improve because the amount of cardboard per tonne of product increased. This was the result of growing sales in the Middle East, which involves container exports. This mode of transportation requires stronger boxes to maintain product quality, leading to an increase in packaging intensity. In response, our packaging specialists are developing a new type of box optimised for container transport. Upon introduction, this new type of box will allow us to use less cardboard, resulting in the reduction of our packaging intensity.

Packaging intensity (tonne/tonne)	2018	2019	2020	2021
Packaging intensity index	1.000	1.041	1.033	1.043
Plastic (bags+film)	2018	2019	2020	2021
Plastic/tonne INDEX	1.000	0.986	1.014	0.985
Cardboard	2018	2019	2020	2021
Cardboard/tonne INDEX	1.000	1.052	1.036	1.054



#### FACT


Goal 1: 10% less packaging material per tonne of product by 2023, had originally been set for 2021. The target year has been changed to 2023.



Goal 2 | Share of recyclable packaging

Recycled materials help lower carbon emissions, reduce the need to harvest raw materials and prevent waste. By making our packaging recyclable, we contribute to the transition towards a circular economy.

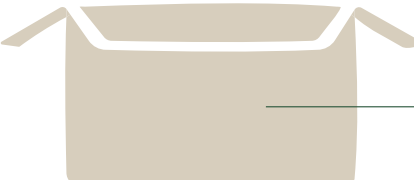
100%  
The packaging of our complete portfolio must be recyclable by 2023.

 **FACT**

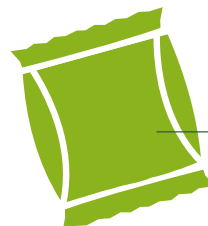
Goal 2: The packaging of our complete portfolio must be recyclable set for 2021 has been changed to 2023.

RESULTS

All our boxes are suitable for recycling. 91% of our film is recyclable. We are working closely with our film suppliers to make the remaining 9% recyclable as well.



Our boxes are  
**100%**  
recyclable



Our plastic films are  
**91%**  
recyclable

Goal 3 | CO<sub>2</sub> footprint

To reduce carbon emissions, Farm Frites is optimising its boxes to allow for greater loading efficiency during transport. For example, our team has developed a box with dimensions optimised for containers. This new box design allows us to fill containers up to 10% more efficiently, which reduces shipments and associated greenhouse gas emissions. We plan on rolling out the new box design to our full product portfolio in 2023.

Farm Frites will reduce its CO<sub>2</sub> footprint by optimizing its packaging for efficient transport.







BEST PRACTICE

# Thinner film for our frozen fries

At Farm Frites, we are working to improve the environmental performance of our packaging every day. One of our aims is to reduce the amount of material used by making the plastic film for our bags thinner without impacting product quality.

Last year, we started using an even stronger film for our frozen products, which allowed us to reduce the default film thickness for our bags. This saves an average of one gram of film for every three bags. With a production of 60,000 bags per hour, that quickly adds up. It saves 175,000 kg every year. This means fewer raw materials, less packaging waste and an overall smaller environmental impact.

does not cause issues elsewhere in the production. For example, the thinner film should not lead to product loss, extra film lost on packaging machines or any concerns for our customers. Our team worked closely with our suppliers and all relevant departments to ensure the new packaging could be adopted smoothly.

Our ambition for the coming year is to further reduce the thickness of our film.

Of course, sustainable progress is only achieved when this change in packaging



MIRANDA REUVERS

Packaging specialist



“Packaging is the key to more efficient food production.”

Many people associate packaging with littering and waste. And that's unfortunate according to packaging specialist Miranda Reuvers. From her perspective, after working in our sector for over thirty years, packaging is key to preventing food waste and contributes to a more sustainable world. “Loss of product due to inadequate packaging will always have a bigger impact on the environment.”

“The packaging world is very complex and always changing.”

**Why did you become a packaging specialist?**

“After high school, I chose to study food technology. Inequality and world hunger are topics that touch me. I also see them as threats to a stable world order. This fed my motivation to improve fairer distribution of food and resources. Packaging is crucial in that regard: through proper packaging, no food has to go to waste. Well-thought-out packaging thus makes an important contribution to the world food problem and sustainability.”

**Could you elaborate on how packaging contributes to the world food problem?**

“Packaging is the key to more efficient food production. It allows us to save food for a longer period of time, to distribute it beyond the region where it is ideally produced, and to reduce food waste. Packaging enables the most economical and efficient production of food. Consider the amount of waste you would have when you create your own fries at home. At Farm Frites we don't waste a single scrap in our factories.”

**What do you enjoy most about your job?**

“The packaging world is very complex and always changing. From market and customer demands, to technical innovations in materials and machines, to laws and regulations. It is our job to take all those factors into account and try to find a standardised solution that meets all

requirements and requests. It's a never-ending quest to do better. And it can always be better.”

**What is the most important skill or character trait for a packaging specialist?**

“You need to be a good listener to come up with real solutions for the different requests. You also have to understand the potential impact of packaging interventions. A small change in our packaging process, can have significant consequences elsewhere in the value chain. For example, using a thinner plastic film might involve using different packaging machines, having to train the operators, changing the sealing methods, convincing the customer of the new material... The list goes on and on. And that's what makes it so much fun!”

**Looking to the future, what would the world of packaging ideally look like?**

“A world with minimal material consumption. The material we use will be made from a renewable, fully recyclable resource. The packaging will not only be recyclable but we will have the processes in place to recover all the material and reuse it for a high-value purpose. This means there would be no more waste from packaging. In the end, packaging with minimal environmental impact, will help us feed people, make the world a little bit of a better place and put smiles on faces all over the globe.”



4.4 WATER MANAGEMENT



# Every drop counts

BACKGROUND

Water covers 71% of our planet’s surface. That fact might make it hard to believe that over 99% of all water on earth is not suitable for human consumption. The vast majority is found in oceans and is too salty to drink, bathe in, or grow crops. Fresh water only makes up 3% of all water on earth, and two thirds of it is frozen in glaciers and icecaps.

Today, over two billion people live in a water-stressed country.

The water systems that are at the heart of our ecosystems are under pressure. Wetlands are disappearing. Rivers and lakes are becoming too polluted to use. Extreme weather events as the result of climate change are causing droughts in some areas, and floods in others. Today, over two billion people live in a water-stressed country and as global warming continues, the situation is expected to worsen.



BOUNDARIES




MANAGEMENT APPROACH

# Reducing our fresh water intake

The greatest progress can be made by increasing the amount of water we can reuse.

Water is a crucial resource in Farm Frites’ operational processes. It is used to clean and blanch our fries, but also to move our fries through our factories. Of course, the availability of clean drinking water is highly limited in many parts of the world. That is why Farm Frites believes water needs to be treated as an essential and precious resource.

Our main goal in our factories is to reduce our fresh water intake. Progress can be made by making production processes more water efficient, but the greatest improvements can be realised by increasing the amount of water we can reuse. For example, two of our production locations make use of reverse osmosis. This technique purifies water to a very high degree, which allows us to reuse a greater percentage of our water.

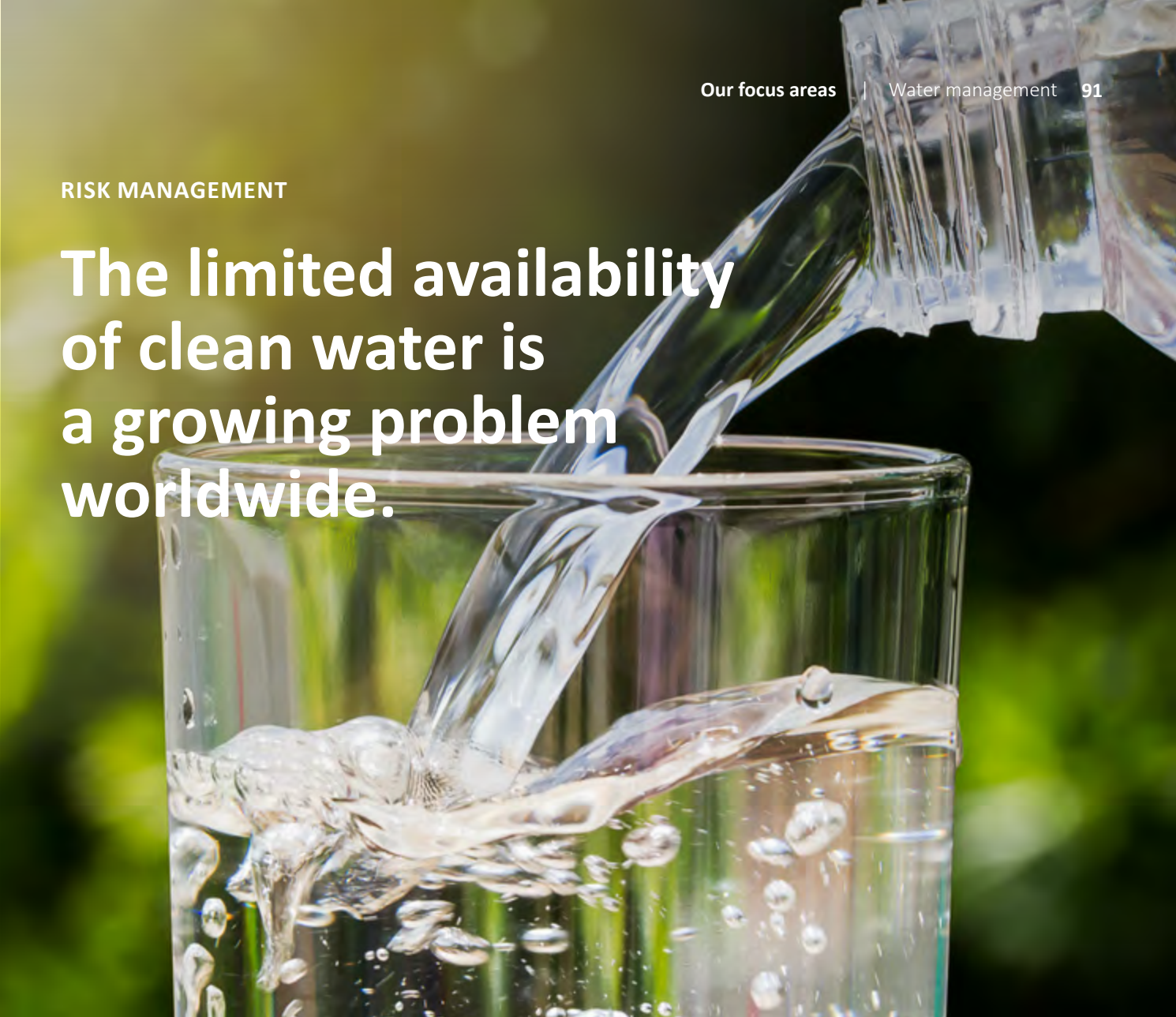


**FACT CHECK** [Click on the fact for more info](#)

Over two billion people live in a water-stressed country

RISK MANAGEMENT

# The limited availability of clean water is a growing problem worldwide.



Water is essential for the production of our products. The limited availability of clean water is a growing problem worldwide, making responsible use of water critical. Farm Frites is aimed at minimising fresh water intake and increasing the amount of water we can reuse. To minimise any environmental impact, Farm Frites only discharges waste water after purification and in accordance with all applicable laws and regulations in the country of operation. Depending on the production site, we either clean the water in our own wastewater purification plants, or we utilise the municipal plants that have sufficient capacity to organise wastewater treatment. In our own plants, we purify water through using sedimentation tanks, as well as anaerobic and aerobic digestion.



# Goals & Results

## Goal | water intake intensity

Water intake intensity indicates how much fresh water intake is required for the production of our potato products. The intake of fresh water has an impact on the environment and should be reduced as much as possible. There are two ways to achieve this. First, the production’s water intensity can be improved, meaning that less water is required for the production process as a whole. Second, the percentage of reused water can be increased. By increasing the share of reused water in production, less fresh water is required.

✓ 15%  
By 2025, water intake intensity in m³/t will be reduced by 15%, compared to 2018.

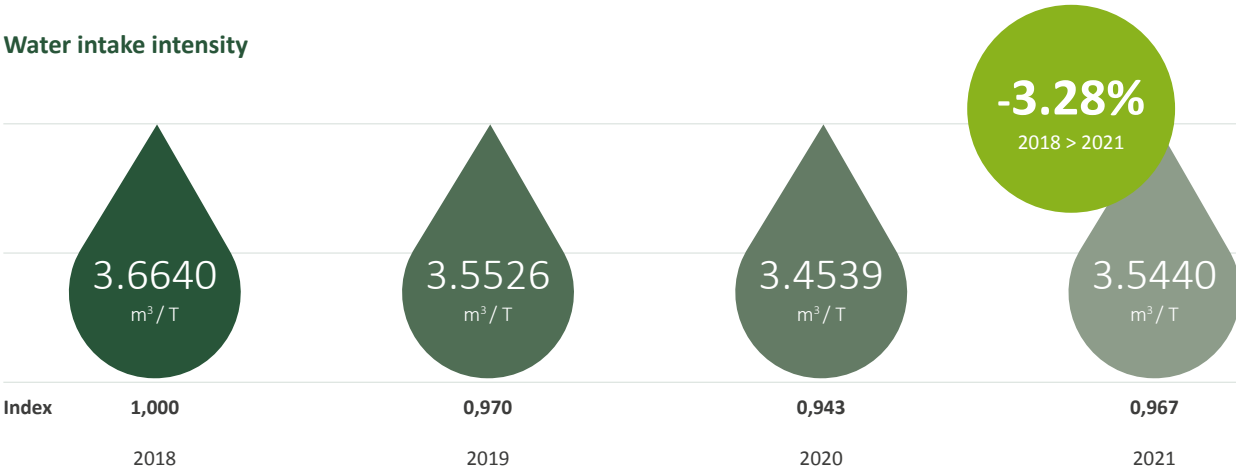
✓ 30%  
By 2030, water intake intensity in m³/t will be reduced by 30%, compared to 2018.

## RESULTS

Water intensity has been stable on our production sites from 2018 to 2021. We saw a slight increase in 2020 and 2021, which was a result of the fluctuating demand caused by the COVID-19 pandemic. Our factories produced smaller batches, which caused our production lines to be less efficiently filled.

Even though water intensity per tonne has increased slightly in recent years, our water intake intensity has been reduced by 3.3% since 2018. This was achieved by increasing the amount of reused water, which is currently at 24%.

Water intake intensity



Water intake intensity is the more important indicator of environmental impact. Our aim is to continue and accelerate its reduction over the coming years. We will achieve this through the combination of increased efficiency in our production lines and several water projects on our production sites.



BEST PRACTICE

# The cleanest water

Farm Frites uses as little fresh water as possible, as we are aware of the limited availability of clean drinking water worldwide.

To achieve this, our used water is subjected to an extensive purification treatment, after which it is clean enough to be discharged into the sewage system. But purification can also be taken a step further to achieve drinking water quality. The key is a process called reverse osmosis.

Osmosis is a physical process in which water passes through a membrane with very small openings. This membrane acts as a filter, allowing water particles to pass, but blocking substances that are dissolved in the water. Water particles will spontaneously move to the side of the membrane where the water is less pure, i.e. the side that has the most solute particles.

To purify water, we want to achieve the opposite, where the water particles move away from the dissolved substances. This is achieved by sending the waste water through pipes with membranes in the sides under high pressure. The pressure pushes the water through the membrane, while most of the dissolved substances cannot pass. By repeating the process several times, we can purify our waste water into drinking water quality.

Using this technique, our Lommel factory purifies 1000 m<sup>3</sup> of water per day into drinking water quality. By reusing this water in production, fresh water intake is reduced by a third.





**PETER CLAES**

Technical Project, Safety and Energy manager

# Mind the tap: the mentality of water management

A little over 36 years ago, Peter Claes started his first job at Farm Frites in the technical department at Lommel. As Technical Project, Safety and Energy Manager today, his main focus is to ensure that all systems are running smoothly in our Belgian production locations. As Peter explains, high-quality water is crucial in that regard. Water is the lifeblood of our production process.

“You shouldn’t be easily satisfied. You must have high standards.”

## **What do you enjoy about water management?**

“I’ve always had an interest in technology, even as a child. I enjoy the process of understanding exactly how something works and how it can be improved and optimised. Water is an integral part of our entire production process, so purification is actually a key aspect in optimising the factory. For example, higher quality water makes steam and cooling more energy efficient.”

## **Why is water management important?**

“For many people, the availability of water has become the most normal thing in the world. We hardly ever stop to think about it as we drink our cup of coffee or tea every day. It’s almost unimaginable that we would ever run out of water. But according to the World Health Organisation, half of the world’s population will live in areas with permanent water shortages by 2025.”

## **What is the most important aspect in your job?**

“I believe that anything that you pay attention to will grow. That’s true for water management as well. You shouldn’t be easily satisfied. You must have high standards. It’s a matter of constantly keeping track of the process and the numbers to see how performance can be improved. To interpret the data and to identify and prevent issues. That mindset of constantly wanting to

do better is critical, and it applies to everyone on the factory floor. The entire team has a joint responsibility, and needs to constantly be mindful of water consumption, from checking water balances and optimising production processes to looking out for leaky taps or hoses. Imagine you’re on a boat with only 100 litres of water for your trip. When you know you have a limited amount of water on board, you become much more careful with how you use it. That’s the mindset we should have in our production facilities every day as well.”

## **What achievement are you most proud of?**

“We expanded our water purification system in Lommel, making it possible for us to make the quality of our effluent more consistent. This allows us to take in more water and turn it into drinking water. In St. Truiden, we have made enormous progress over the last couple of years. We have started to reuse much more water, which significantly reduced our fresh water intake and waste water compared to just a few years earlier. I am proud of these results and glad to be part of our continuous effort to make our operation more and more sustainable.”



## 4.5 PRODUCT



# Our products are the result of knowledge, skill and passion

## BACKGROUND

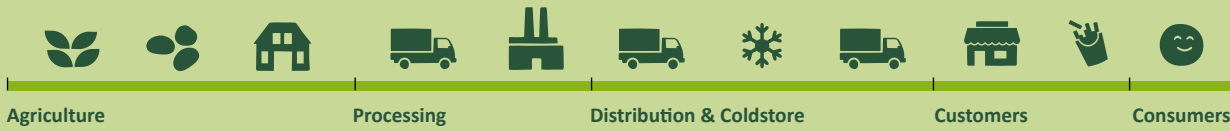
Consumers all over the world have given their trust to companies to produce their food. Billions of people rely on the food industry for their daily nutrition.

Consumers are becoming more and more conscious of their dietary choices.

These consumers expect their food to be safe, produced in a fair and responsible manner and want organisations to be transparent about how they operate. Moreover, consumers are becoming more and more conscious of their dietary choices. They are looking for products to be part of a nutritious, balanced diet. In short, food manufacturers need to ensure the quality, safety and responsible production of their products. To meet evolving consumer demands, they must keep developing their product portfolio.



BOUNDARIES



MANAGEMENT APPROACH

# Safeguarding food safety and quality at every step along the way

We believe that transparency is key in establishing trust with customers and consumers.

Our products are the result of the passion, knowledge and skills of the Farm Frites team. They form a source of nutrition for people across the globe, which places the responsibility upon us to guarantee our products’ food safety and quality. Our entire operation has been set up to safeguard this at every step along the way.

We believe that transparency is key in establishing trust with customers and consumers. It’s why we share detailed information about how our products are cultivated and processed, as well as the raw materials we use.

RISK MANAGEMENT



# Everything we do is to create happy faces!

People should be able to consume food products without the slightest doubt as to the safety of our products. In addition to the many measures in place to guarantee food safety, it is important that Farm Frites continues to communicate its steadfast commitment to food safety in an open and transparent manner.

Everything we do is to better serve consumers. Consumer demand is moving towards healthier and more sustainable food, with more vegetable oils, less salt, and an increasing number of vegetarian and gluten-free options. We will

continue to develop our products to meet demand as it evolves, and provide easy insight into what our products contain through nutrient labels. Transparency is key to credibility.



RESULTS

The results in this chapter are divided into three topics: food safety and quality, transparency & responsible marketing, and nutrition. We have not defined goals in this chapter, because we view these topics not as targets to work towards, but as essential conditions for our operation that must be guaranteed at all times.

Farm Frites has procedures in place to safeguard food safety at every stage of the production process.

Food safety and quality

The quality and food safety of our products is a top priority within our organisation, as reflected in our materiality matrix. Food safety is part of our code of conduct, which applies to all our employees as well as suppliers and other business partners. Farm Frites has procedures in place to safeguard food safety at every stage of the production process. From our fields to the moment our products reach our customers. Together with suppliers, partners and customers, we follow a risk-based approach for all new innovations and introductions.

Our potatoes are cultivated under one or more food safety schemes. Our agronomy department determines the quality of our potatoes and ensures they are safe to consume. An independent third party also carries out food safety checks at this stage. Our potatoes then reach one of our factories, all of which have a dedicated quality assurance department. These departments are working constantly to implement and improve

quality systems. Finally, the corporate quality department is concerned with quality in our entire organisation. They handle customer inquiries related to quality and make sure that the quality of our final product is within predefined parameters. The corporate quality department also ensures Farm Frites complies with all relevant food legislation and regulation.

In 2020 and 2021, there were no public product recalls in any of our five production locations, in Cairo, Łębork, Lommel, Oudenhorn or Sint-Truiden.

Results



Complaints

Farm Frites carefully keeps tracks of the number of complaints received per 1000 MT of product. We record and calculate all received complaints as we value all input and feedback from our customers. We strive to keep complaints to a minimum, but at least under 1.5 complaints per 1000 MT. This norm applies to our frozen fries, which makes up the vast majority of our production. All complaints are handled through an internal procedure aimed at preventing similar issues from reoccurring. Learnings and improvements are communicated within our organisation and expert teams in the facilities.

Because our chilled fries are a fresh food product, we do not have a similar norm for this product group. To best serve the chilled fries market, end customers can contact Farm Frites directly with any complaints or concerns, whereas in the frozen fry market complaints are generally collected by distributors or other intermediary parties. By being in contact with the end customers of chilled fries directly, we can handle complaints as fast and effectively as possible. We listen closely to our customers, which allows us to translate feedback into solutions that improve product quality and help us better meet our customers’ needs.

Complaints Frozen	2018	2019	2020	2021
Quality compl (FRZN)/1,000T	1.3	1.6	0.8	1.2

Audits

Every year, Farm Frites is audited by several organisations. These audits concern topics including safety, social economy, finances, food safety, and product-specific issues. They serve to confirm that our organisation complies with both internal and external standards we have committed to. Moreover, they can help us find opportunities for improvement and identify possible problems and risks in an early stage, thus preventing incidents. In 2021, Farm Frites successfully passed all 65 audits that were performed. A number of these audits were unannounced, where an auditor visited one of our locations and requested a tour within 30 minutes of arrival.

After every audit, all learnings and improvement opportunities are shared with the senior management and all facilities, to make sure we improve our performance every year. We work closely with our partners and share knowledge to ensure we are aware of any upcoming risks, changes in law or regulations and evolving customer requirements and needs. Our goal is to improve our audit scores by at least 10%, year over year.

Our code of conduct sets out the basic principles that guide our company and our people in all business matters.

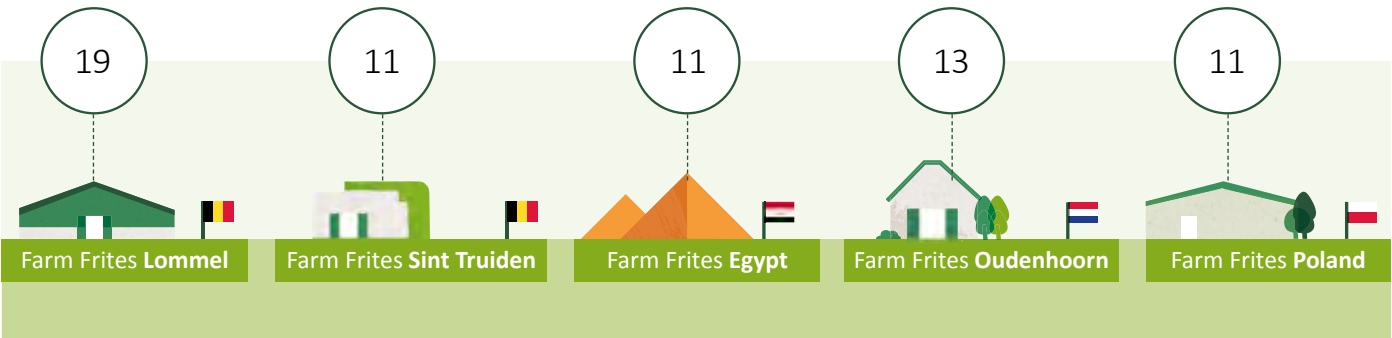
Transparency & responsible marketing

Every day, thousands of consumers all over the world enjoy Farm Frites products. Through sustainability reports and nutrient labels on our packaging, we share information with our customers about how our products are produced, what our products contain, the materials we use for packaging, and our marketing materials. All information can also be found on our website, which features videos of our production process as well. We strictly follow the General Data Protection Regulation (GDPR) in everything we do, including our marketing activities.

Transparency is also covered in the Farm Frites Code of Conduct, with regard to topics such as record keeping, political contributions and conflicts of interest. Our code of conduct covers a wide range of business practices and procedures. It sets out the basic principles that guide our company and our people in all business matters. All employees must conduct themselves according to these principles, and strive to avoid even the appearance of improper behaviour. We expect agents, distributors, suppliers and any representatives of Farm Frites to follow the code of conduct too.

We believe that by being transparent about how we conduct our business with suppliers and customers, we can all benefit from the knowledge and insights necessary to safeguard our supply chain. By sharing information, parties can operate effectively and find solutions to any challenges that might come their way. For example, early in the growing season, Farm Frites communicates with internal stakeholders and customers about the expected harvest in terms of quantity and quality, through a crop update. Throughout the year, we also regularly distribute a Farm Potato Market Update (FPMU) in which we provide information about the potato market. Finally, we have an FAQ file for customers to address their most common questions and concerns.

Number of audits at Farm Frites locations





Product development

As the world learns more about the relationship between food, health and well-being, consumer preferences change. In recent years, there has been a shift towards less sodium, more vegetable oils and more, vegan, vegetarian and gluten-free options. Farm Frites is constantly working to develop its products to meet the needs of today’s consumer.

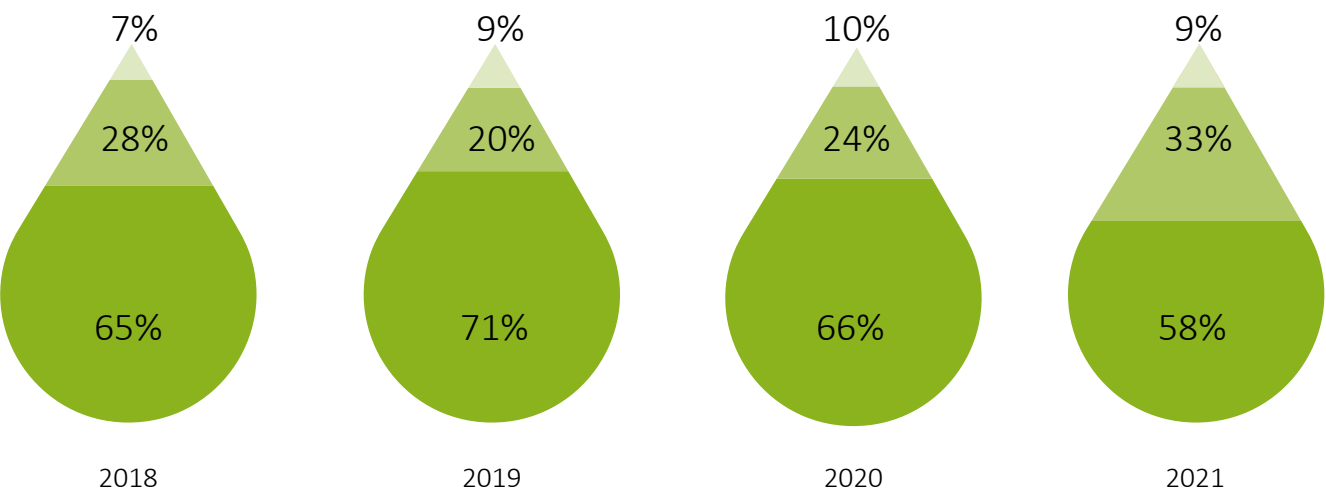
Healthy and sustainable oils

Farm Frites uses oils in its production process that are both healthy and sustainable. We use several different oils, including sunflower oil and RSPO certified palm oil (less than 1% is non-RSPO certified). Of the palm oil, 85% is delivered as part of a segregated supply chain, while 14% is delivered according to a mass balance supply chain model.

Nutritional developments

In response to the increasing consumer demand for healthy, nutritious food, Farm Frites is developing several new products and concepts. For example, more and more of our products are ‘skin on’, where we do not peel the potato but leave the skin on the final product. In addition to saving energy and making products visually appealing, this preserves the most nutrients for consumers. To serve consumers with specific dietary requirements, many of our products are gluten free, vegan, vegetarian, kosher and halal. Finally, we are researching different ways of preparing our products, such as in an oven or air fryer.

Oil divdation



● Palm    ● Sunflower    ● Other vegetable oils





BEST PRACTICE

# Planet Positive Fries

Trucks that run on biodiesel. High-quality compost for cultivation. And packaging made of plant-based plastic. These are the solutions at the heart of Planet Positive Fries: an innovative pilot project with the aim to produce 100% carbon neutral french fries. With each tonne of this climate-friendly product, Farm Frites can save 46,000 kg of carbon emissions, which equals 56 return flights from Amsterdam to Tokyo.

The pilot project explores a range of measures to make our fries planet positive. The plastic packaging for the fries is made out of plastic created from sugar cane. The stretch film on the pallet contains recycled plastic. Transport is handled by trucks that run on biodiesel, which is produced from plant-based sources instead of fossil fuels. Compost is used during cultivation of the potatoes. Made of plant residue, compost is not only full of nutrients for the soil and the potato

plant, but also stores carbon in the ground. All CO<sub>2</sub> emissions that cannot be compensated in the supply chain are instead offset by purchasing credits from Gold Standard-certified projects. The Planet Positive Fries pilot project is a collaboration of many partners, including the HAS Hogeschool, Wageningen University, the province of South-Holland, and several Farm Frites supply chain partners.



FACT

The name 'Planet Positive Fries' is an internal project name.





## 4.6 FOOD WASTE



# Food waste

## BACKGROUND

According to the U.N. Food and Agriculture Organization, over 30% of edible food is not consumed. Instead, it is lost throughout the value chain: at farms, during processing and production, in shops, or when it has finally reached consumer's hands.

According to the U.N. Food and Agriculture Organization, over 30% of edible food is not consumed.

The prevention of food loss or waste has numerous benefits. It increases availability of food for the most vulnerable. It reduces pressure on land and water resources. And with food waste accounting for 8% of total global greenhouse gas emissions, it forms a significant opportunity to take action against climate change.

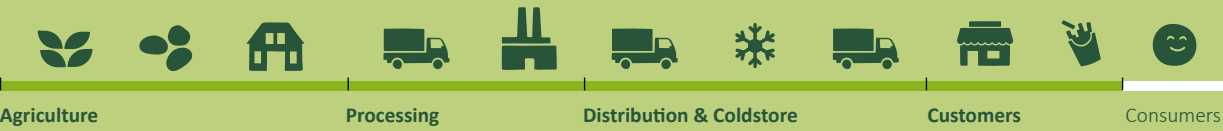


### FACT CHECK [Click on the fact for more info](#)

[According to the U.N. Food and Agriculture Organization, over 30% of edible food is not consumed](#)



BOUNDARIES



MANAGEMENT APPROACH

# Using as much of the potato as possible.

Our products are made from potatoes, which are nutritious, versatile, very affordable and the third largest food crop worldwide. Moreover, their ecological footprint is smaller than, for example, that of rice or pasta in terms of greenhouse gas emissions and water consumption. This makes potatoes essential in providing food for a growing world population, and the importance of reducing food waste in our sector hard to understate.

Farm Frites efforts to minimise food waste can be summarised as prevent and reuse. We prevent food waste by using as much of the potato as possible. This starts by matching the quality and specifications of our raw material with the requirements of suitable products. During production, our steam peelers are carefully configured to prevent waste, while automatic defect removal systems allow us to remove small imperfections from our products with minimal potato going to waste. Pieces of the potato that

are too small to be made into fries are used in various potato specialty products, while starch is collected and forms a resource for non-potato products. Our responsibility does not end however after our products leave our facilities. We need to minimise food waste together, which is why we share knowledge with our customers on how they can best store and prepare our products.

Our production processes have been set up to minimise residue streams. Still, it is critical to reuse any part of the potato that cannot be made into a potato product. For example, we might repurpose them for animal feed or to generate energy. Currently, over 99% of our potatoes is used or reused.



FACT

The ecological footprint from potatoes is smaller than, for example, that of rice or pasta in terms of greenhouse gas emissions and water consumption. (Hess, Chatterton, Daccache & Williams (2016), *The impact of changing food choices on the blue water scarcity footprint and greenhouse gas emissions of the British diet: the example of potato, pasta and rice*, Journal of Cleaner Production, Volume 112, Part 5, 20 January 2016, p. 4558-4568)

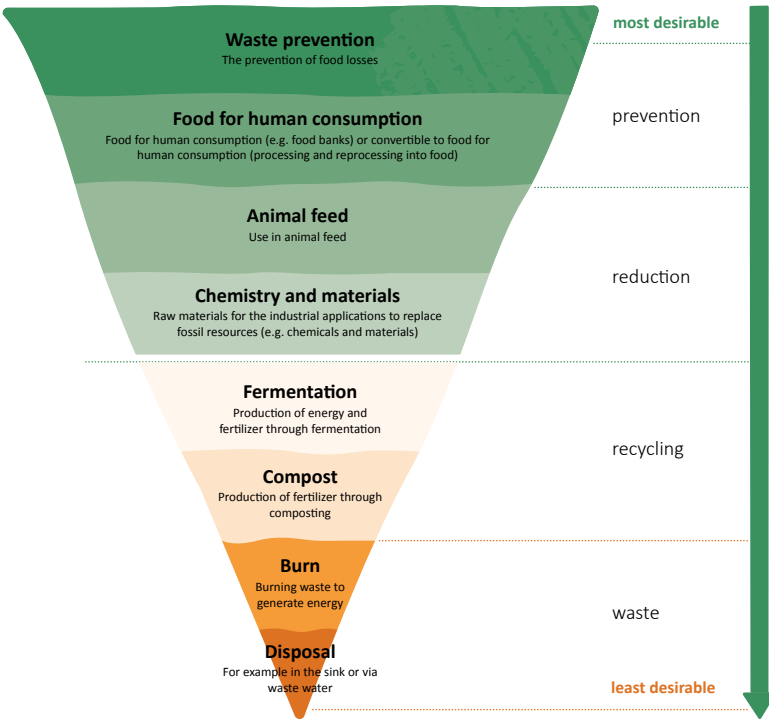


RISK MANAGEMENT

# Preventing food waste throughout our production chain.

Food waste can occur anywhere in the Farm Frites production chain. That is why the prevention of the waste of food and other resources requires constant attention. We are committed to using all resources as efficiently as possible, in order to operate responsibly in a world where many resources are growing scarcer.

Moerman's Ladder



FACT CHECK Click on the fact for more info

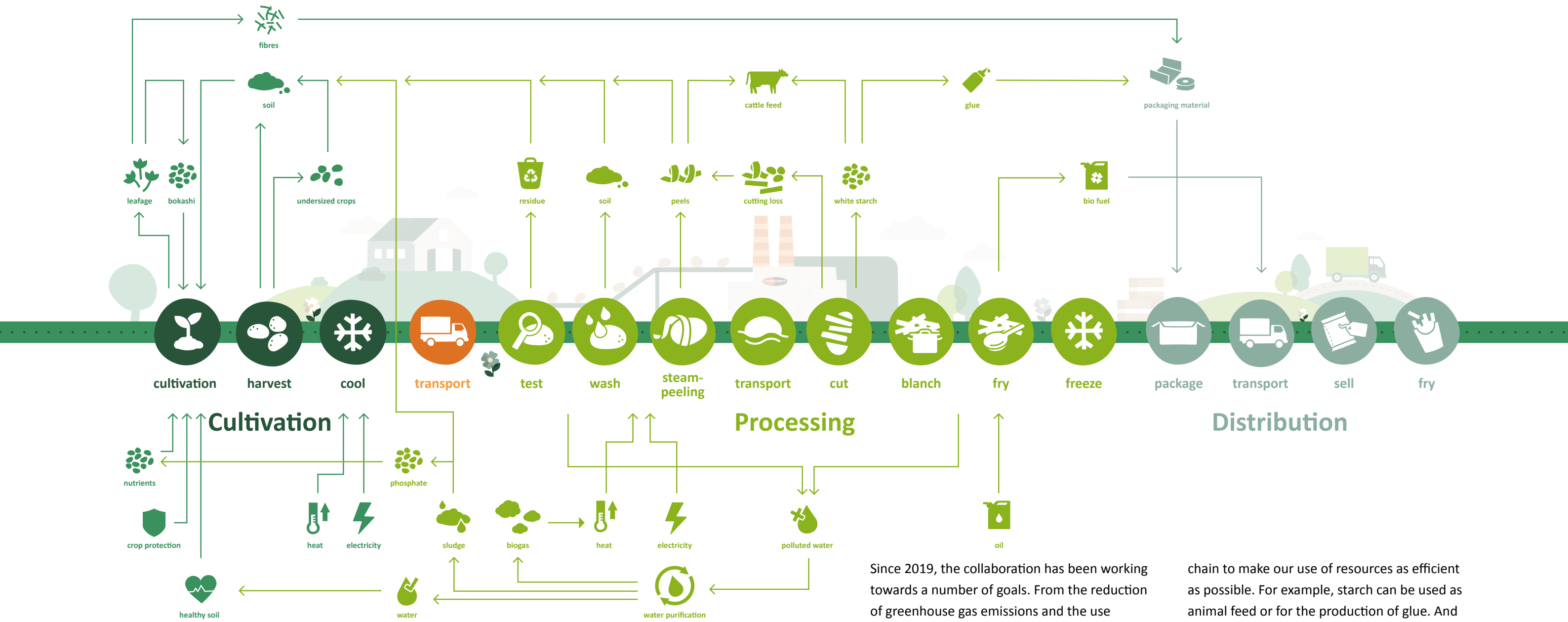
In order to ensure that national efforts against food waste are informed by a solid evidence base and support sharing of innovation and best practice, the EU has been working on augmenting and improving the quantification of food waste levels



BEST PRACTICE

# Green Circle Sustainable French Fries Chain

Farm Frites believes that working together is the path towards a greener future. The Green Circle Sustainable French Fries Chain is a collaboration based on that very thought to realize sustainable solutions. It is a partnership between Farm Frites, the province of South-Holland, Wageningen University & Research and HAS University of Applied Sciences.



Since 2019, the collaboration has been working towards a number of goals. From the reduction of greenhouse gas emissions and the use of renewable energies, to the promotion of biodiversity, clean water and healthy soil. The prevention of waste is also a key part of the program. By finding a useful purpose for any residue stream, we can (re)design our production

chain to make our use of resources as efficient as possible. For example, starch can be used as animal feed or for the production of glue. And leafage can be used as a resource to create packaging. By ‘closing loops’, we can minimise waste and ensure that as much of the potato is used as possible.



## 4.7 PEOPLE AND COMMUNITY



# Be part of something greater

## BACKGROUND

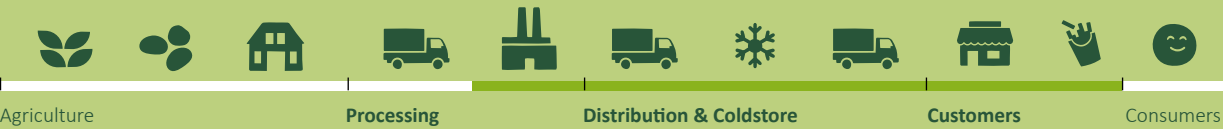
More and more people do not see their job simply as a way to make a living, but as a place where they can develop their talents, be part of something greater and contribute to a better world. Employees expect to work in organisations that care about diversity, sustainability and the flourishing of their people. They want to see their values reflected in their place of employment in order to feel connected to their daily work.

Companies must place great care in shaping a social environment where everyone feels at home.

Today, companies must place great care in shaping a social environment where everyone feels at home and in ensuring they contribute to the communities they are a part of. How we work is also changing. The COVID-19 pandemic has demonstrated the advantages of remote working and has normalised working from home when possible. In short, people's expectations of work are evolving and employers that wish to remain relevant and recruit top talent must evolve as well.



BOUNDARIES



MANAGEMENT APPROACH

Farm Frites’ success depends on its people

As a family-owned company, this has been a central tenet of our operation since we were founded. Only with our people’s skills, commitment, passion, and expertise, can we ensure we deliver safe, high-quality and delicious potato products for millions of people all around the world. It’s why we believe in a workplace where everyone feels safe, comfortable and has ample opportunity to grow. We have worked hard to create this work environment and are committed to realising an even more diverse and inclusive organisation that inspires and empowers employees to discover everything they are capable of.

Farm Frites strives to be a ‘good neighbour’ to local communities. Aside from minimising any nuisance and preventing adverse effects on the safety of our neighbours, we contribute to communities through employment opportunities and by sponsoring local charities and events.

RISK MANAGEMENT

Feeling safe, comfortable and heard



As an employer, we must make sure that our people feel safe, comfortable and heard. It is the cornerstone of a healthy working environment, which allows people to work together and perform at the best of their ability. A failure to maintain a healthy working climate will result in an unhappy workforce with poor performance. It will cause people to seek employment elsewhere, and make it difficult to attract new talent. Our people are at the core of everything we do, making it critical to maintain a safe, healthy and attractive working environment for everyone.

Our daily operation has an effect on local communities. It is vital that our ‘neighbours’ support our activities and feel that our presence helps their community to thrive. By positively impacting the places we operate and maintaining regular contact with stakeholders, we can retain their trust and support.



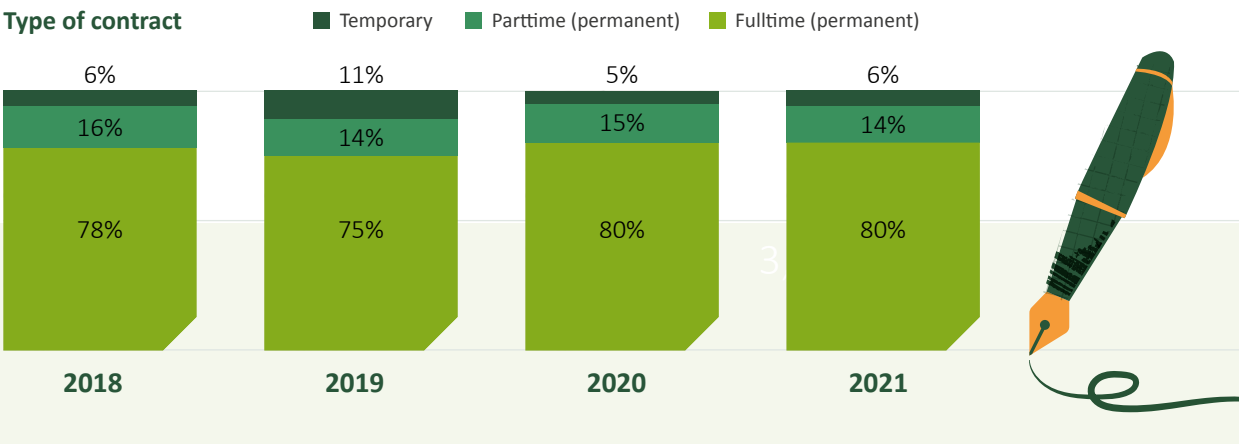
# Results

## Our people

The past two years have been challenging for our organisation and our people. The COVID-19 pandemic asked a lot of our employees in terms of flexibility, adaptability and persistence. Over the course of days, we had to reinvent how we operated. Office personnel started to work from home and had to find new, digital ways to work together. With the help of our IT department, but above all thanks to the resilience and passion of our people, this new way of working was quickly embraced to become our new standard.

Of course, our factories remained up and running thanks to the tremendous effort of our colleagues in production. We took every measure to protect their health and safety, including making hand sanitizer and face masks available throughout our facilities, creating socially distanced work spaces, and measuring the body temperature of anyone entering our facilities.

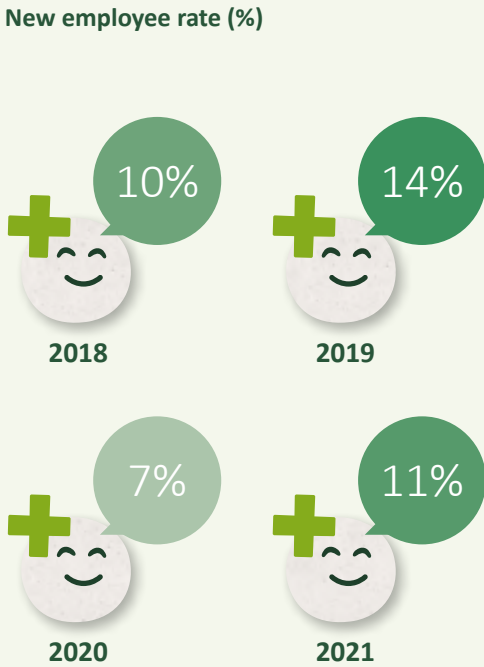
In 2021, over 2,000 people worked at Farm Frites worldwide, 80% of which had a permanent, fulltime contract.



Our new employee rate in 2019 was relatively high. Pre-COVID, Farm Frites had hired people to help realise our expected growth. However, the COVID-19 pandemic slowed down our growth, resulting in fewer new hires in 2020. In 2021, we hired new people for our recovery and to cover normal employee turnover.

It requires constant effort and attention to create a healthy, inclusive and overall positive workplace that allows people to thrive, which is why we will discuss the following four topics in more detail.

- Inclusion and diversity
- Employee satisfaction
- Health and safety
- Learning and development



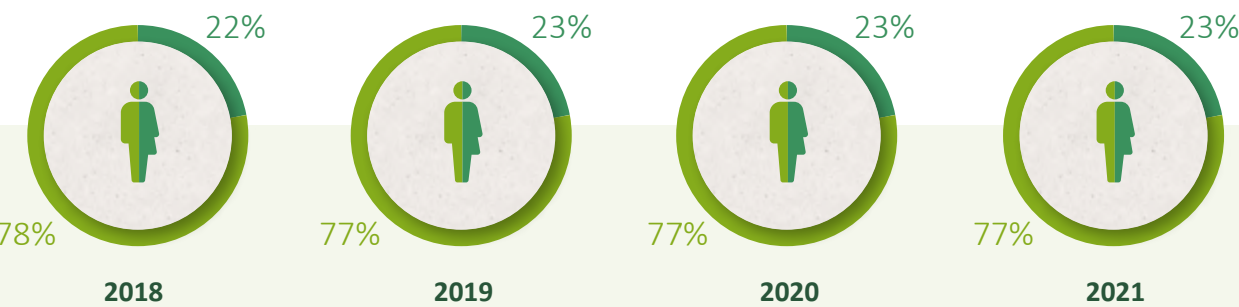


Inclusion and diversity

Farm Frites believes in a diverse, equal and inclusive workplace where people of all backgrounds feel safe and at home. Principle 6 of our Code of Conduct states:

- > Farm Frites will provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.
- > Several confidential counsellors are available in our organisation. Employees can contact these counsellors with any issues, including work, working rights, inappropriate behaviour, intimidation and discrimination. In 2020 and 2021, no cases relating to discrimination or unequal treatment were reported at any of our production locations.

Men / women employed (%)



> Diversity in age also contributes to a better workplace. Older generations can share their expertise and experience, while younger generations contribute with new insights, knowledge, and critical questions on why things are done the way they are done. Over the past four years, the age distribution of our team has been stable. In the coming years, we will focus on welcoming new colleagues from the newest generations to our organisation.

Age (%)	2018	2019	2020	2021
> 50 years	27%	32%	28%	30%
30 years > 50 years	59%	52%	57%	56%
> 30 years	15%	16%	15%	14%

- > Diversity and inclusion makes workplaces not only fairer, but better. Different backgrounds, perspectives and talents contribute to a positive working climate in which people can develop themselves and productivity grows. Moreover, a diverse and inclusive working environment allows our company to attract a wider range of talents and to keep them with our company for a longer time.
- > Traditionally, men make up a large percentage of the work force in our industry. While we are proud that 23% of our colleagues are women, our aim is to further increase this percentage over the coming years. We will also take steps to improve the share of women in leadership and management positions.

Employee satisfaction

To assess the satisfaction of our people, we carried out an independent survey in 2021. Employees anonymously gave their opinion on several topics such as engagement, task clarity and leadership styles. The survey provides a clear picture of how various departments function and the extent to which people feel at home in our organisation. It showed that at 72.5%, overall satisfaction was higher than in the previous measurement (70.1%). Moreover, Farm Frites was rated higher by employees than similar companies in our sector (70%). In particular, employees valued Farm Frites for its efficiency, role clarity and leadership style. Compared to the previous survey, a slight decrease was found in engagement and turnover resistance. This can be attributed to a tight labour market, which presents many opportunities for employees.

Response



Though turnover resistance has decreased somewhat in the survey, the percentage of employees that left our company has remained stable over the past four years. The turnover rate has remained within the range of 10 to 12%, with 2021 being the highest year.

Turnover Rate	2018	2019	2020	2021
Rate %	11%	11%	10%	12%

Farm Frites International  
Score: themes

Enthusiasm	7.3	7.3	7.4
Involvement	7.9	8.2	7.7
Satisfaction	7.8	7.9	7.5
Efficiency	6.9	6.5	6.3
Customer focus	7.8	7.6	7.3
Role clarity	8.3	7.9	6.2
Vitality	7.6	7.5	7.4
Leadership	7.7	7.3	7.0
Efflux resistance	8.1	8.6	7.9

- score of Farm Frites
- previous score
- score from Peer Group Benchmark





Health and safety

At the end of the day, nothing is more important than the health and safety of people. Farm Frites is constantly working to maintain and improve the safety of our workplaces and to safeguard the health of our employees. As an employer, it is our responsibility to ensure people can do their work safely.

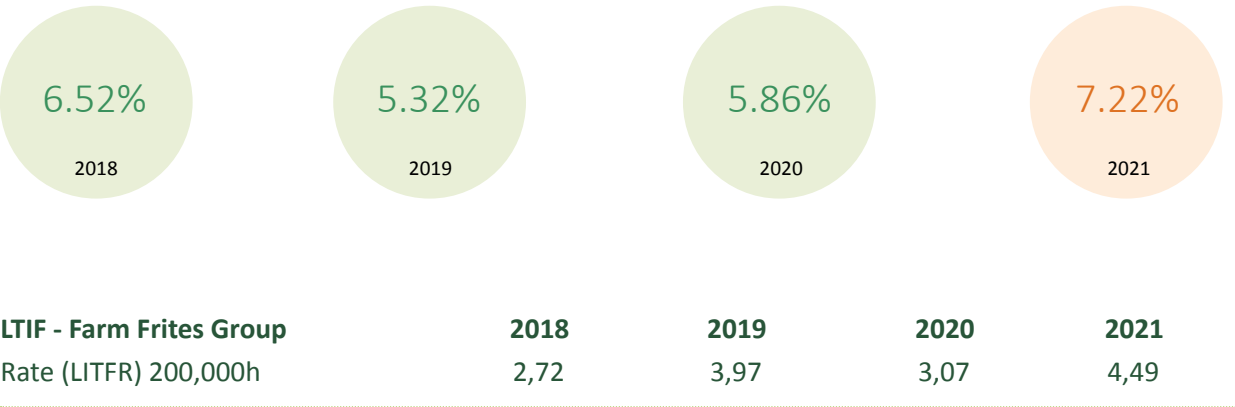
Naturally, we adhere to all applicable laws and regulations. All our production plants are certified to multiple internationally recognised safety management systems, including the ISO 45001 standard for occupational health and safety. It is also critical to maintain a culture of constant health and safety awareness, which starts with clear communication and visible leadership. Moreover,

our factory Health & Safety managers work together closely with labour unions and employee representatives to ensure safety on the job.

The overall rate of absenteeism in Farm Frites has remained at relatively low levels for many years, compared to industry standards. In the first phase of the COVID-19 pandemic, it remained stable. In 2021, as infection rates increased across the entire population, our absenteeism rate also increased.

Our lost time injury frequency rate has increased since 2018. This development is not acceptable to Farm Frites and we are taking every measure to improve our performance.

Absenteeism Rate (Farm Frites International)  
Rate %



Healthy Lifestyles

In addition to safety in the workplace, Farm Frites cares about the health and well-being of its employees. A healthy lifestyle is the key to both higher well-being and doing your best work. It’s why Farm Frites supports all its employees to adopt healthy habits.

We encourage our employees to live healthy lives. We stimulate them through various initiatives like a Farm Frites bicycle program. This makes

it more affordable to purchase a bike, thanks to a tax benefit. We also made deals with gyms to allow our employees to become a member at a reduced price. And in all office canteens, we offer a variety of healthy products for lunch. Farm Frites is currently investigating further initiatives to promote healthy lifestyles.

Learning and development

Work is not just a way to make a living. It is an opportunity to grow and develop new skills. Learning not only keeps us engaged in our jobs, but also makes for a stronger workforce. We invest in the development of our people through the internal training programs of our Farm Frites Academy. Every employee has a user profile in the Academy. Depending on their position, they have mandatory courses, such as a forklift certificate or yearly refresher training on work safety, food safety, and the environment. In the past two years, the COVID-19 pandemic made it challenging to continue all training as planned, but we managed to facilitate employee training nonetheless by setting up e-learning programs.

New colleagues are welcomed at our company through an extensive on-boarding program. This program covers a range of topics, including our company’s history, culture and values, the structure of our organisation, and the core tasks of each department.

In addition to our Academy, we have a large number of training programs that we organise periodically. For example, we regularly run a company-wide campaign to increase safety awareness among all employees and ensure a safe work place.

Community

In addition to our role as an employer, we are very aware of the effect we have on local communities. We are committed to being a ‘good neighbour’ and having a positive impact wherever we are active. This starts with economic and social effects by providing employment opportunities, business for suppliers, and paying taxes. But it also includes minimising nuisance and reducing our impact on, or even promoting, the local natural environment.

Farm Frites also promotes local initiatives by sponsoring sports clubs, charities, and events that contribute to the flourishing of the community. We believe that we can achieve the best results in terms of community engagement when these activities are initiated and implemented at the local

level. By concentrating our activities locally, we can better focus on critical community needs and circumstances to maximise positive impact.



BEST PRACTICE

# Sahara City Run

Every year, close to 1,500 people join the Sahara City Run: a friendly race through the city of Lommel and its beautiful surrounding area. Farm Frites is the head sponsor of its run.

The event is named after the characteristic Lommel dunes it passes through, locally known as the Sahara. Its route changes every year and is a celebration of all the city has to offer. It crosses rivers and passes through pine woods, moors and stunning savanna landscapes. But the route also moves through the bustling city centre, even passing through restaurants and backyards,

filled with friends, family members and neighbours cheering on the runners. Farm Frites is glad to support this event, which brings the citizens of Lommel together and promotes a healthy lifestyle.





# Appendix

## Glossary & definitions used

TERM	DEFINITION/EXPLANATION
Greenhouse gas emissions intensity scope 1 & 2	<p>GHG protocol scope 1 are direct emissions from sources that are owned or controlled by Farm Fries or a joint venture, such as:</p> <ul style="list-style-type: none"><li>&gt; Stationary combustion (natural gas, fuel oil)</li><li>&gt; Mobile combustion (owned company vehicles)</li></ul> <p>GHG protocol scope 2 are the indirect emissions:</p> <ul style="list-style-type: none"><li>&gt; Emissions from purchased electricity, steam, or other sources of energy</li></ul>
Share of potatoes sourced following SAI platform FSA list	<p>The amount of raw potatoes supply cultivated following SAI platform FSA list is a checklist with principles (non-FSA, bronze, silver and gold). The SAI platform FSA list is a checklist with principles on sustainable agriculture. Upon completion of the checklist, a level of sustainable agriculture can be determined.</p>
Energy consumption of product	<p>The amount of energy needed in the factory (natural gas, biogas &amp; electricity, plus other sources of energy) to produce one tonne of product.</p>
Share of renewable energy	<p>Share of the energy used that is renewable (solar, wind, bio-energy, geothermal, or other form of renewables).</p>
Water consumption	<p>The amount of water needed in the factory (total fresh water intake in the facility, excluding internally reused water, divided by the total amount of finished product. Reported in cubic meters per tonne of product.</p>
Water reuse	<p>The amount of water internally reused versus the total fresh water intake.</p>
Base year	<p>2015 (or oldest available)</p>
Employee	<p>A person with a contract from Farm Frites or a joint venture.</p>
Consumption	<p>The KPI specific unit per tonne product.</p>
KPI	<p>Key performance indicator</p>
Finished product	<p>The potato product (frozen/chilled fries, specialties and flakes) that has been completely processed.</p>



GRI Content Index Farm Frites

Statement of use

Farm Frites has reported the information cited in this GRI content index for the period 1 January 2019 to 31 December 2021 with reference to the GRI Standards.

GRI 1 used | GRI 1: Foundation 2021

GRI 2: General disclosures 2021

1. The organisation and its reporting practices

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 2-1 Organisational details	2-1a Legal name	Farm Frites	
	2-1b Nature of ownership and legal form	Private company	No changes to 2019
	2-1c Location of headquarters	Molendijk 108, 3227CD Oudendoorn,	No changes to 2019
	2-1d Countries of operation	Belgium, Egypt, the Netherlands, Poland	No changes to 2019
Disclosure 2-2 Entities included in the organisation’s sustainability reporting	2-2a List of all entities included in sustainability reporting	Lommel, Belgium, Oudendoorn, The Netherlands Sint-Truiden, Belgium, Lębork Poland, Cairo Egypt	No changes to 2019
	2-2b Differences between the list of entities included in its financial reporting and the list included in its sustainability reporting	No differences	No changes to 2019
	2-2c Approach used for consolidating the information, in case the organisation consists of multiple entities	Consolidation according to equity share	No changes to 2019

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 2-3 Reporting period, frequency and contact point	2-3a Reporting period for, and the frequency of, sustainability reporting	1 January – 31 December 2021. Annually	Due to the COVID-19 pandemic, Farm Frites did not publish a sustainability report for 2020.
	2-3b Reporting period for financial reporting and reason for dealignment with period for its sustainability reporting, if applicable	Financial report is published annually. Farm Frites publishes a sustainability report annually since 2013.	Due to the COVID-19 pandemic, Farm Frites did not publish a sustainability report for 2020.
	2-3c Publication date of the report or reported information	June 2022	
	2-3d Contact point for questions about the report or reported information	sustainability@farmfrites.com	
Disclosure 2-4 Restatements of information	2-4a Restatements of information made from previous reporting periods, including explanation of reasons and effect	No restatements from previous reporting periods	
Disclosure 2-5 External assurance	2-5a Policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved	For the 2021 report, Farm Frites has chosen not to seek external assurance	
	2-5b Details on external assurance of the organisation’s sustainability reporting	For the 2021 report, Farm Frites has chosen not to seek external assurance	



## 2. Activities and workers

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 2-6</b> Activities, value chain and other business relationships	<b>2-6a</b> Report the sector(s) in which the organization is active	Potato processing industry (frozen and chilled)	
	<b>2-6b</b> Description of the value chain	Details in value creation model	
	<b>2-6c</b> Other relevant business relationships	Not applicable	
	<b>2-6d</b> Significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period	No significant changes in reporting period	
<b>Disclosure 2-7</b> Employees	<b>2-7a</b> Total number of employees, and a breakdown of total by gender and by region	People and community chapter	
	<b>2-7b</b> Total number of: <ul style="list-style-type: none"> <li>➤ permanent employees, and a breakdown by gender and by region;</li> <li>➤ temporary employees, and a breakdown by gender and by region;</li> <li>➤ non-guaranteed hours employees, and a breakdown by gender and by region;</li> <li>➤ full-time employees, and a breakdown by gender and by region;</li> <li>➤ part-time employees, and a breakdown by gender and by region.</li> </ul>	People and community chapter	
	<b>2-7c</b> Methodologies and assumptions used to compile the data	Consolidation according to equity share	
	<b>2-7d</b> Contextual information necessary to understand the data reported under 2-7-a and 2-7-b	Not applicable	
	<b>2-7e</b> Significant fluctuations in the number of employees during the reporting period and between reporting periods	People and community chapter	

### 3. Governance

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 2-9</b> Governance structure and composition	<b>2-9a</b> Governance structure, including committees of the highest governance body	Our company – Governance section	
	<b>2-9b</b> Committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organisation's impacts on the economy, environment, and people	Our company – Governance section	
	<b>2-9c</b> Composition of the highest governance body and its committees	Our company – Governance section	
<b>Disclosure 2-10</b> Nomination and selection of the highest governance body	<b>2-10a</b> Nomination and selection processes for the highest governance body and its committees		Not present
	<b>2-10b</b> Criteria used for nominating and selecting highest governance body members		Not present
<b>Disclosure 2-12</b> Role of the highest governance body in overseeing the management of impacts	<b>2-12a</b> Role of the highest governance body and of senior executives in developing, approving, and updating the organisation's purpose, value or mission statements, strategies, policies, and goals related to sustainable development	Our company – Governance section	
	<b>2-12b</b> Role of the highest governance body in overseeing the organisation's due diligence and other processes to identify and manage the organisation's impacts on the economy, environment, and people	Our company – Governance section	
	<b>2-12c</b> Role of the highest governance body in reviewing the effectiveness of the organisation's processes as described in 2-12-b, and report the frequency of this review	Management approach to each topic	



4. Strategy, policies and practices

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 2-22</b> Statement on sustainable development strategy	<b>2-22a</b> Statement from the highest governance body or most senior executive of the organisation about the relevance of sustainable development to the organisation and its strategy for contributing to sustainable development	Board statement	
<b>Disclosure 2-23</b> Policy commitments	<b>2-23a</b> Policy commitments for responsible business conduct	Board statement	
	<b>2-23b</b> Specific policy commitment to respect human rights	Management approach section of People and community chapter	
<b>Disclosure 2-28</b> Membership associations	<b>2-28a</b> Industry associations, other membership associations, and national or international advocacy organisations in which it participates in a significant role	Our company – Stakeholder engagement section	

GRI 3: Material topics 2021  
Disclosure on material topics

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 3-1</b> Process to determine material topics	<b>3-1a</b> Describe the process followed to determine the material topics	Materiality assessment	
	<b>3-1b</b> Specify the stakeholders and experts whose views have informed the process of determining its material topics	Materiality assessment	
<b>Disclosure 3-2</b> List of material topics	<b>3-2a</b> List its material topics	Materiality assessment	
	<b>3-2b</b> Report changes to the list of material topics compared to the previous reporting period	Materiality assessment	
<b>Disclosure 3-3</b> Management of material topics	<b>3-3a</b> Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights	Materiality assessment, management approach of each focus area	
	<b>3-3b</b> Report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships	Not applicable	

5. Stakeholder engagement

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 2-29</b> Approach to stakeholder engagement	<b>2-29a</b> Approach to engaging with stakeholders	Our company – Stakeholder engagement section	
<b>Disclosure 2-30</b> Collective bargaining agreements	<b>2-30a</b> Percentage of total employees covered by collective bargaining agreements	In the Netherlands & Belgium, more than 90% of employees have a collective bargaining agreement, except for the higher management.	
	<b>2-30b</b> For employees not covered by collective bargaining agreements, description of whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations		



Sustainability chapters



Climate change and energy  
GRI 302: Energy 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 302-1</b> Energy consumption within the organization	<b>302-1a</b> Total fuel consumption within the organisation from non-renewable sources, in joules or multiples, and including fuel types used.	Climate change and energy chapter	
	<b>302-1b</b> Total fuel consumption within the organisation from renewable sources, in MW or multiples, and including fuel types used.	Climate change and energy chapter	
<b>Disclosure 302-3</b> Energy intensity	<b>302-3a</b> Energy intensity ratio for the organization.	Climate change and energy chapter	
	<b>302-3b</b> Organisation-specific metric (the denominator) chosen to calculate the ratio.	Not applicable	
	<b>302-3c</b> Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.	Climate change and energy chapter	
<b>Disclosure 302-4</b> Reduction of energy consumption	Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.	Not present	
	Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.	Not present	

GRI 302: Emissions 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 305-1</b> Direct (Scope 1) GHG emissions		Climate change and energy chapter	
<b>Disclosure 305-2</b> Energy indirect (Scope 2) GHG emissions		Climate change and energy chapter	
<b>Disclosure 305-3</b> Other indirect (Scope 3) GHG emissions		Climate change and energy chapter	
<b>Disclosure 305-4</b> GHG emissions intensity		Climate change and energy chapter	
<b>Disclosure 305-5</b> Reduction of GHG emissions		Not present	



Sustainable agriculture  
GRI 308: Supplier Environmental Assessment 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
<b>Disclosure 308-1</b> Suppliers were audited on sustainability and environmental criteria		Sustainable agriculture chapter	





Sustainable packaging  
GRI 301: Materials 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 301-1 Materials used by weight or volume		Sustainable agriculture chapter	
Disclosure 301-2 Recycled input materials used		Not present	
Disclosure 301-3 Reclaimed products and their packaging materials		Sustainable packaging chapter	



Water management  
GRI 303: Water and effluents 2018

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 303-3 Water withdrawal		Water chapter	
Disclosure 303-4 Water discharge		Water chapter	
Disclosure 303-5 Water consumption		Water chapter	



Health, safety and well-being

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 403-1 Occupational health and safety management system		People and community chapter	
Disclosure 403-9 Work-related injuries		People and community chapter	



Responsible marketing & transparency  
GRI 417: Marketing and labeling 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 417-1 Requirements for product and service information and labelling		Product chapter	



Food waste  
GRI 306: Waste 2020

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 306-2 Waste generated		Food waste chapter	
Disclosure 306-4 Waste diverted from disposal		Food waste chapter	
Disclosure 306-5: Waste directed to disposal		Food waste chapter	





Employees & social  
GRI 401: Employment 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 401-1 New employee hires and employee turnover		People and community chapter	

GRI 404: Training and education 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 404-1 Average hours of training per year per employee		Not present	
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs		Not present	

GRI 405: Diversity and equal opportunity 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 405-1	Diversity on employees	People and community chapter	



Society: local communities  
GRI 413: Local communities 2016

GRI STANDARD	DISCLOSURE	LOCATION	COMMENTS
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Social projects and initiatives	People and community chapter	

CO<sub>2</sub> footprint calculation disclaimer

- This GHG emissions report is in conformance with the GHG Protocol Corporate Standard for scope 1 and scope 2.

➤ This report includes the Holding Farm Frites, including three production location from Farm Frites International: Oudenhorn (Netherlands), Lommel (Belgium) and Sint-Truiden (Belgium) and two joint ventures: Farm Frites Poland with its production location in Leborg (Poland) and Farm Frites Egypt with its production location in Cairo (Egypt).

➤ Farm Frites applies the equity share consolidation approach. This implies that Farm Frites accounts for all emissions of Farm Frites International and accounts for the emissions of the two joint ventures according to its share of equity.

➤ Biogenic CO<sub>2</sub> emissions do occur in the value chain of Farm Frites, however they have not yet been included in the 2021 report. Biogenic CO<sub>2</sub> emissions will be included in 2022 report and will be reported separately from scope 1, 2 and 3.

➤ In previous years Farm Frites publicly disclosed their scope 1 and 2 GHG emissions. In the coming years Farm Frites has the ambition to move to a full GHG inventory, including all relevant and material scope 3 categories.

➤ For the reporting period 2021 Farm Frites publicly discloses a selection of material scope 3 categories in the sustainability report.

➤ The scope of this report in terms of the supply chain of Farm Frites is from farm to cold storage of the finished product. Outbound transport from
- this cold storage to the final customer and the use of the sold product by the customer are not included in this inventory, mostly due to lack of activity data.

➤ This inventory includes the following scope 3 categories: 3.1 purchased goods and services, 3.3 Fuel- and Energy-Related Activities, 3.4 Upstream transport and distribution, 3.5 Waste generated in operations, 3.6 Business travel and 3.7 Employee commuting.

➤ This corporate carbon footprint report can therefore be considered as an important next step in full disclosure of all GHG emissions of Farm Frites, but must not be considered as a full scope 3 inventory.

➤ It is the ambition of Farm Frites to add the remaining scope 3 categories in 2022.



# Colophon

Publication date: June 2022

This report is produced by Farm Frites' experts.

**With external support from:**

Report design: maan identity. design. content.

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# Growing a greener planet together

Farm Frites  
**Sustainability Report 2021**

