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Our new strategy is a compass and offers perspective.

By the time this 12th edition of our magazine is released, we will have been working on our Accelerate and Strengthen strategy for several months

The start of this new strategic period is accompanied by a challenging global economic situation that puts pressure on the demand for our products and therefore the earning capacity of Royal Avebe and its members. That is why we are taking various additional measures, such as accelerating the opening up of new markets and customers, optimising our production and reducing our costs.

Also raw material security is a crucial theme. The cultivation of starch potatoes is under pressure due to changes in climate, laws and regulations and more competition in the fields. This growing year too, our members are experiencing very challenging growth and harvest conditions.

The primary goal of our strategy is to keep the cultivation of starch potatoes as attractive as possible. Despite the current challenges, there are many opportunities for Avebe. Of course, a new strategic period involves change and that takes time, but the first steps have been taken.

Our Accelerate and Strengthen strategy oozes ambition and entrepreneurship. With the potato as a basis, we create added value through sustainability and innovation. The strategy acts as a compass and offers perspective, both of which are very important at the moment. That is why we

want to achieve results in the short term. And the past few years are proof that together, members and employees, we can do that!

I truly believe that Avebe is part of the solution for many of the current themes, such as plant-based nutrition and sustainable construction. And with the transition to a more customer and marketdriven organisation, we can create much more value with our distinctive products.

It is important to continue telling Avebe's story. What we do, how we do it and where we focus our attention to achieve results together. We also do that with this magazine, with a nice mix of articles.

I would like to thank everyone for their efforts and commitment. Together, we form a strong team and we are one Avebe. I am convinced we can meet the challenges of the future with determination, confidence and by implementing our Accelerate and Strengthen strategy.

For now I wish everyone happy holidays and a healthy 2024.

David Fousert
CEO Royal Avebe

Trust and transparency for effective collaboration.

Vobra Special Petfoods has been a customer of Royal Avebe for two decades now and they have been using the ProtaSTAR® potato protein product in their high-quality dog and cat food throughout that period.

Janny Chen, Petfood business manager at Avebe, explains what makes this collaboration so special.

Vobra Special Petfoods was founded in 1932 and has nearly a century of experience in producing pet food.

They have developed into an important international player in the market and supply both their own brands and privatelabel applications. Janny: "The first order was placed with Avebe in 2003. Vobra returned in 2005 and they been a regular and very satisfied customer since 2007."

Family business

Vobra is a real family business. It's a company rich in history that is still experiencing fast growth. They stand for premium quality and high-quality products. "That's something that suits Avebe well," Janny indicates. "The trust in each other also contributes to a pleasant collaboration. We are very transparent and open to each other, and that works.

We keep each other informed of current developments, which allows us to consult each other and adjust course, if necessary. I think it's very important to listen carefully to them, to hear what their needs are and to be able to respond to this from within Avebe."

Sole supplier

And you are rewarded for this. "Vobra is very loyal," Janny explains. "We are their only supplier of potato protein, which is quite unique. The only time Vobra collaborated with another supplier was in 2018, when we could deliver less due to drought. Such mutual trust adds to job satisfaction."

New developments

Vobra is very satisfied with the use of ProtaSTAR® in their pet food, mainly because of its good quality. This makes ProtaSTAR® very suitable for use in Vobra's specialist food products, such as veterinary and vegetarian food. In the future, Vobra may also want to use other Avebe products in their production process. Janny: "So there are certainly developments. I'm in regular contact with both Vobra's purchasing and Research & Development departments and the first tests with other products of us are underway. For example, they are looking at the possibilities that potato starch offer to improve their food products. Avebe and Vobra are destined to take many great steps together!"



Janny Chen, business manager Petfood at Avebe and Bert Vermeltfoort, buyer at Vobra



The road towards one Avebe.

All Royal Avebe managers participate in the Avebe Leadership Development Programme. They are part of the Leadership Team (LST), belong to the management group or are team leaders. In the programme they meet in different compositions. Sometimes with representatives from throughout the organisation, other times only with team leaders, managers or as Leadership Team among themselves.

The programme is based on the 'Play to Win' theory, which is part of Avebe's new Accelerate and Strengthen strategy. It includes three learning journeys. The first: 'You and your organisation' is about the relationship between the manager and the business strategy, the second learning journey is about 'You and your team': compiling a winning team, giving and receiving feedback. Finally, the third learning journey 'You and your personal leadership' is about how you as a manager relate to Avebe's core competencies and core values.

Attracting, inspiring, developing and retaining people who are jointly committed to one Royal Avebe. That is the core goal of the Avebe Leadership Development Programme. Nico Buijs, Seine Derks, Jacques Boekholdt and Bas Wijnbergen share their vision of the programme and their experiences. "The changes require a shift in the way you think."

"One of the key factors in the realisation of our strategy is our people," says Nico Buijs, Chief Human Resource Officer (CHRO). "We invest in training and labour market communication to get and keep more and more people interested in Avebe. Our ultimate goal is to become an Employer of Choice (Top Employer). In the Netherlands, an average of 1 in 5 people leave their place of work. That's 17%! By giving our people opportunities for personal growth and further developing our leadership within Avebe, among other things, we can attract

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>> and retain employees. What kind of leadership do you experience as an employee at Avebe? That determines whether you stay inspired and connected. Managers can offer their employees perspective by pointing out career opportunities within Avebe, even if this means that they themselves lose a good employee."

Customer-drive

With its Accelerate and Strengthen strategy, Avebe is changing from a technology-driven to a more customer-driven organisation. "That change has been going on for a while," explains Seine Derks, Maintenance team leader at the Ter Apelkanaal site. "Along with the planning department, we as team leaders started working across divisions a few years ago. The coronavirus period did not help and you notice that things are quickly forgotten during such a period." Jacques Boekholdt, Maintenance Manager at the Foxhol site, nods in agreement. "The changes require a shift in the way you think", he reaffirms. "People really need to take ownership of the new principles and objectives, which takes time."

Breaking down walls

Bas Wijnbergen, Procurement & Facilities Director, adds: "We want to break down the walls between the different disciplines. And that requires a change in behaviour. 'Play to Win' doesn't mean that one person or one team or one department performs better than the rest, but winning together. The focus has now shifted from a performance-oriented department culture to: how do we get the most value out of the potato, together."

Making choices

Bas continues: "It also means that we look at how we can be as interesting as possible for our customers. We have a wonderfully innovative company with great products, but that doesn't mean we can and should serve everyone. It requires making targeted choices."

Seine: "Customer-oriented approach in work also applies internally. For example, we talked about Continuous Improvement in the Connection Talks (employee meetings, ed.), but you only really experience the effects on the work floor: in such a meeting it's still someone's workplace you're talking about. You have the duty to communicate this well with the people in your team. It's quite difficult to get everyone on board in change processes."

Resistance

Jacques: "Resistance to change is not outright bad. It shows commitment. In those instances, it's important to stay true to your vision and not to give in to avoid resistance. If you do, we all lose track."

Seine nods: "We have people who've been working here for three decades. For thirty years, all they heard was that things were going well and now things have to change, which is quite difficult." Jacques: "Or they never heard that it went well and now they're thinking, so I've been doing it wrong all these years? By making changes, you interfere with people's certainties."

Bas: "We therefore have an important task as managers to explain it well and to specify what the changes mean for our people. And what it demands from them, because 'Play to Win' also means that you develop personally."

Helicopter pilot

Jacques: "As managers, we also have to work together with others and be able to trust each other no matter what. During the second learning trip, Air Force helicopter pilot Dominique Schreinemachers literally had us experience just that. As team members, we had to carry out assignments blindfolded. You can talk about trust, but if you experience it this way together, it has a much bigger impact. You recognise the pitfalls in yourself and in your teams, in which case the trick is to stick to your chosen strategy regardless."



Bas: "Trusting each other blindly is not so much about whether I trust my colleagues, but about the trust I put in my team members. Transferring ownership. That is letting go. Giving and asking for feedback is also part of this. This way, everyone can contribute to the common goal."

Jacques: "It's also about identifying what is going well and zooming in on that. It's easy to see what is not going well, but if you only focus on that, you can you can lose a great deal in terms of effort and motivation."

Courage

Seine: "It's possible that someone has made a decision which doesn't turn out as well as hoped. I won't hold this against him or her. The courage to make a decision is better than remaining stuck in indecision. And if you don't have enough information to make a decision, you need to consult each other. I can tell that

things are going well in my team. There is the realisation that we are working together on one Avebe and people are happy in their positions."

Jacques: "I'll be proud when we see the first improvements in technical availability and production results from this change process in the Operations organisation in Foxhol. The more so if it contributes to establishing a proper connection with and between the people of Operations. We've already taken the first joint steps by informally celebrating our successes in Foxhol."

Just like home

Bas: "As regards Procurement, it means we have a proper understanding of each other's efforts within the chain. In the end, it's also about money. Procurement spends a lot of money, for example on the purchase of expensive production equipment. I need to be sure that we are actually using this equipment and that they're not sitting idle on site. Actually, it's just like at home, within your family. If you're faced with a major expense, you sit down together to discuss it. We really need each other in this."





At Averis, the new starch varieties reach a new level of resistance to important diseases and pests. Sustainability, cost reduction and production security go hand in hand.

Higher yields with less nitrogen.

Breeding starch potatoes involves many components. Potato fatigue and wart disease are soil-borne diseases which has the permanent attention of Averis. This always requires a new level of resistance. With that, continuous sufficient yielding capacity is needed.

Sustainability requires more resistant varieties, especially when it concerns the potato disease phytophthora. Since the 1990s, Averis has been aware that resistance to this is necessary. Fighting the disease could not continue indefinitely. The first varieties were single resistant. By 2030, all varieties will be at least double phytophthora resistant. Such a development takes years.

Can this process be sped up? At Averis, they hope the collaboration with Solynta will contribute to this. The hybrid potato is now under development with this company. This will save a few years of achieving resistant varieties.

Another success is illustrated by the new variety Aletta, which shows to be strong against new forms of potato fatigue (Globodera pallida) and resistance to the root knot nematodes Meloidogyne chitwoodi and fallax. Seed potato cultivation still needs to be developed further, but the fact that they are now developing this variety at Averis is a milestone in its own right. There is even a third variety of phytophthora-resistant varieties on the market and that variety is already grown on more than a thousand hectares.

Averis is also achieving the first results in terms of nitrogen efficiency. The varieties that are now available to growers generally have a higher yield with less nitrogen. Although this does not apply to every plot and every year. The initial reports are positive. The trick is to come up with varieties that absorb all the nitrogen that has been released and lock it into the potato.

Adelinde

With starting material that has promising properties for potato fatigue and wart disease, Averis can focus on other qualities across the entire spectrum of wishes and requirements for starch potato varieties. There is room to achieve more. Obtaining sufficient starch per hectare requires a minimum starch content and sufficient tons. This is studied in terms of breed worthiness, combined with resistance and efficiency.

More focus, more added value

Which products can Royal Avebe use to really make a difference in the market? The answer to this question can be found in Avebe's new commercial strategy. Annelies Huisingh, director Marketing at Avebe, talks about putting the customer first, creating focus, adding value, providing evidence and sharing the right experiences.

"Avebe's commercial strategy details how we can market and utilise our starch, protein and fibre products with optimal effect. Our strategy: putting the customer first, a focus on those products with a proven track-record of making a difference and recruiting customers and binding them to Avebe," Annelies explains.

The customer first

"Understanding the customer drives our innovation! It's important to first answer the question 'What developments do you spot in the market and what do you need?' before we can determine how our potato ingredients can make a difference. By being curious, delving into the market and gathering insights, we're able to see what the added value of our product is in the customer's end product. This way, we also ensure that our future innovations are even more aligned with the wishes and needs of our customers."

Applying focus

Avebe's product portfolio has grown enormously over the years, Annelies continues. "In our strategy, we have described which products are our star players. By creating focus and placing products that offer a 'comparable' unique value under what we call a 'value proposition', we can apply a more targeted approach in our response to customer wishes. These value propositions include our promise to the customer, i.e. what makes our ingredients relevant and distinctive for the customer and the reasons why. By showcasing these star players, we make a difference in specific markets. For example, PerfectaSOL™ is unique in the plant-based food market, ETENIA™ in the dairy market, while CasuCOL™ has been chosen as the star player in products for building and construction."

Providing evidence and 'storytelling'

Another important part of the commercial strategy involves providing evidence. Annelies: "We really make a difference with our potatoes. We make products with unique properties for all our markets, i.e. the food market, industrial applications and animal feed. Unique compared to other starch, protein and fibre sources. And we should be very proud of that! Together with our Innovation department, we collect evidence and are able to substantiate our claims. This gives our product more financial value.

Our understanding on how we can reach our potential customers through different channels is improving continuously.

We set up targeted initiatives, organise webinars, tell our stories online and actively visit events and trade fairs. This way, we're building an Avebe that is widely known as the partner for added value from the potato!"

Life Saving Rules, to make the workplace even safer.

The Life Saving Rules working group is working on clarifying a number of rules that are essential for a safe working environment. Because the fact that someone has not had an accident during working hours does not automatically mean he has worked safely.

"The rules behind the Life Saving Rules concept already exist, but their formulation is too general at times. People don't always recognise the usefulness and necessity of these rules," director QESH Robert-Jan Bannink explains. "And although 80% of the safety rules are implemented the same at the different sites, the remaining 20% can cause serious accidents."

The Life Saving Rules working group consists of representatives from the three Dutch production sites. Robert-Jan explains how the rules come into being: "We use dialogue sessions at the sites to investigate what colleagues understand by certain rules and what they encounter when they implement them. For instance, it's not always clear for which activities a work permit is required. And are you using the right protection on the job? 'Gloves' come in different shapes and

sizes: the gloves you have to wear for grinding work are not the same you use for cleaning work. But that's not explained anywhere at the moment."

And after these sessions? "The recommendations from colleagues at the sites are combined, critically examined from a safety perspective and then brought together into ten rules that leave no room for different interpretations. After the Life Saving Rules have been ratified by the site directors, we roll them out line by line throughout the organisation." Robert-Jan hopes the rules will be common practice within Avebe's Dutch production sites by this time next year. The roll-out to production sites in Germany and Sweden will also follow.

Ten rules, is that really enough to ensure safety? Definitely not, according to Robert-Jan: "There are a thousand things I can think of to make Avebe safer. But these rules are about situations that can cause deaths or events that can have a major impact on someone's life. Those are the real Life Saving Rules."





"At our production site, rules aren't always known in detail, and other rules aren't always complied with. So at the moment, we still see too many incidents. By applying the Life Saving Rules, we want to make everyone even more aware of critical actions, his or her role in them and the consequences if the rules are not adhered to. Of course, we don't want a police state, but we do want a professional culture in which others are called to account. Because incidents and accidents are often caused by behaviour: someone not wearing gloves, someone cutting a pipe without a work permit being physically issued. Change in behaviour is very complex, but by continuing to coach each other, involving all employees and attaching consequences to desired and undesirable behaviour, we can make the necessary cultural change."



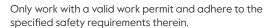
These are our Life Saving Rules:



Do not use or possess alcohol or drugs.



Be aware of the risks of confined spaces and take appropriate precautions.





Check isolation before starting work.





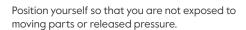
Protect yourself and others from falls and falling objects when working at heights.

Ensure that lifting equipment is suitable for the purpose and prevent people from being under the load.





Always obtain permission before overriding a safety device and implement the necessary precautions.







Recognize ignition sources and ensure that no flammable material is present before starting work.



Always wear your personal protective equipment.

Avebe people in the picture.

Meet the people behind Royal Avebe. In each edition of the Avebe
Magazine we put a number of Avebe employees in the picture.
What role do they play within the organisation? Read about it here.



Laura Wijnia Public Affairs specialist

"I've been working at Avebe within the Communications and Public Affairs team since March 2023. My focus is to see how the agricultural policy from The Hague impacts on the practice of our members and to anticipate this. That's a very hot topic right now. My agricultural background means that I feel strongly involved. It's inspiring to share our experience and to bridge the gap between policy and practice, thereby supporting our members."

Harm Germs Improvement and Knowledge Development manager

"As the Improvement and Knowledge Development manager at Avebe, profitable and sustainable cultivation of starch potatoes is my priority. New varieties and their right introduction will help us enormously in achieving the goals stated in the new Accelerate and Strengthen strategy. Everything must be aimed at increasing the value of the potatoes in order to create a sustainable balance."



"As a Talent Acquisition specialist at Avebe, I focus on attracting young talent through campus recruitment and connecting students and interns with all the possibilities within Avebe. I draw energy from guiding and inspiring starting professionals and showing them what Avebe has to offer. This is how we remain future-proof. It's great to create a positive impact and motivate people to come and work for Avebe."

Chris Ehlers Sales account manager US

"I manage the accounts for our customers in the US and promote the sales of our products. Our organisation in the US is small-scale and decision-making is fast, which makes us very efficient. I enjoy personal contact with our customers and travel to their locations to see how we can help. It's great to see how customers continue to use our products in new, innovative ways."



Matthias Eikens Manager Agro Germany

"I joined the company on 1 October. There's a lot to do, right from the get-go and I'm really looking forward to this! Of course, I would first like to gain an overview, both of our internal direction and of the right support for our members in Germany. For example, I am just getting to know my team. The mixture of experience and new ideas works very well. My goal is that our members benefit from our support and concepts."

NEW COLLEGUE



Edith Jiang Technical sales manager Food China

"Despite all the challenges of the past three years, we have shown resilience. Now we are entering another challenging year, which at the same time offers new opportunities. It's very important to use our energy properly and to 'Play to Win'! As regards the situation in China market, I hope we can be proactive ir offering valuable and affordable solutions to our customers."



Think first before you act, safety first.



Klaas Hidde Kuipers is the new Chief Operations Officer (COO) of Royal Avebe. Whilst still in his first weeks, he already visited the six production locations, where he gained many new impressions. "To me, safety is the most important product."

The new COO is an important asset for the Executive Committee (EC) to contribute to achieving the strategic goals and strengthening the foundation. Klaas Hidde: "During the application process, we discussed the intended goals in detail. To me personally, the theme of Safety always comes first. It's also an important

spearhead within Avebe and we can still make a number of improvements in this regard."

DNA

"In terms of safety at the production sites, the basics are in order," Klaas Hidde concludes. "This means the correct steps have been formulated within the production programmes. What matters now is that we further implement this into the DNA of the people on the work floor. You don't realise that overnight, it's a journey in which you keep taking new steps."

Two questions

He continues: "It would be great if the people at the production sites took five to ten seconds just before carrying out the next step and answer these two questions. The first question is: can I perform this step safely? The second question is: what's the worst that can happen? By being aware of the answers to these questions before taking the next step, you can prevent a lot of misery. I don't want to be the COO who has to visit people because they have been involved in a serious industrial accident. Behaviour Based Safety, i.e. safety resulting from conscious behaviour, is life-saving."

Passion

Klaas Hidde, chemical technologist, started his career at Tate & Lyle, where he worked as a process technologist with corn starch. Positions at Mars and in the baking world followed. For the past decade, he has worked as Operations Director Chocolate Europe at Cargill, among other positions. Klaas Hidde: "The Black Belt Six Sigma and Green Belt training courses have become important drivers for me in my quest for continuous improvement. This theme is my passion, just like operational safety. Yet always in direct relation to people. In the coming months, I want to further integrate this within Avebe."



Want to serve a vegan (plant-based) dish during the upcoming holidays? This page offers inspiration for a delicious starter and dessert.

Spoon snack with feta cheese

4 servings

Drain 30 grams of plant-based feta cheese, 1 small tomato into quarters or into small pieces. Mix the feta and tomato with a dash of olive oil, black pepper and coarse sea salt.

Serve in a spoon or small bowl with fresh basil.

In the plant-based version of this Greek cheese, our potato protein provides a full and creamy sensation and the crumbly structure that comes with feta cheese.

Cheesecake mousse

4 servings

Preheat the oven to 175 degrees. Mix 120 grams of flour, 80 grams of white caster sugar, 80 grams of plant-based butter and a pinch of salt and make a crumbly dough. Spread this out on a baking tray lined with baking paper and bake in the oven for 15 minutes. Remove from the oven and, while the dough is still soft, separate it with two spoons.

Let 250 grams of plant-based cream cheese come to room temperature and fold into a bowl.

Scrape the marrow from the vanilla pod and add it to the whipped cream. Beat 250 ml of plant-based whipped cream, 60 grams of icing sugar with the vanilla until stiff. Gently mix this with the cream cheese.

Divide the crumble among four glasses, spoon the mousse over it and garnish with fresh fruit.

In the plant-based cream cheese, our potato starch and potato protein provide a creamy sensation, good spreadability and a stable emulsion.

Plant-based macarons

Delicious during the holidays (and other days!): macarons. These are also available in a plant-based variant. Our customer Smaakaron in Groningen prepares them using our potato protein. This protein replaces the chicken egg protein. Take a look in the store or on the website. You can also order online!

Smaakaron - https://smaakaron.nl



Avebe Malmö is completely CO₂-neutral.

Sustainability has been top of mind at Avebe Malmö for years.

The location contributes to the company's sustainability goals in various ways. Technical manager Håkan Nebreus is proud of the team's continuous efforts and Avebe's corporate sustainability strategy.

"To achieve our goals, we have to work smarter, not harder."

Håkan is responsible for the sustainability targets and projects at Avebe Malmö. He and his team focus on CO₂ and water reduction, and less usage of chemicals and water. "When Europe plunged into the energy crisis in 2022, prices went sky high. This was a trigger for us to once again look very closely at our production process. We started analysing every step and were continually asking ourselves: 'why do we do this?' Why for example should we leave machines up and running when they are not producing? Switching off machines saves energy. When you are at home, do you not switch off the light when you leave? Do you not close the fridge door when you take the milk out? Maybe if you open and close the fridge door a thousand times, you need to store the milk somewhere where this is not necessary. We decided to extrapolate this to the work environment. This meant working smarter, not harder."

Completely CO₂ neutral

 CO_2 is not just reduced at Avebe Malmö, it has completely disappeared in the last couple of years. "I am proud to say that we are the first completely CO_2 neutral Avebe site", says Håkan. "In addition to that, we have sharply reduced our energy usage in the last 5 years. Every metric ton of starch that we produce, needs 24% less energy now. Where water is concerned, we achieved a 30% reduction per metric ton of starch that we produce, and this number is still decreasing."

Electrical boiler: reliable source of steam

The team at Avebe Malmö installed an electrical boiler in 2021 to further reduce CO_2 emissions. More than 50% of Sweden's energy production comes from fossil free hydro power. "This hydro power enables the production of steam within our factory", says Håkan. "Steam used in our production process was first produced in a fossil natural gas boiler. We saw an opportunity in 2021 to translate this into CO_2 neutral electricity. The advantages are that our CO_2 emission is reduced to zero, but we also save energy because an electrical boiler is more efficient. This contributes to the performance price. Our electrical boiler alone represents a 2% decrease of Avebe's total CO_2 emission. We have seen over the past two years that the boiler is a very reliable source of steam."



"And, very importantly, we now have the knowledge about installing such a boiler, which we shared within Avebe. For example, with our colleagues in Gasselternijveen and Ter Apelkanaal. In this regard, we are happy that we can meet each other again after the long covid period. This is very conducive to sharing ideas and learning from each other."

Water reduction

To save water, Avebe Malmö commissioned a state-of-the-art new washing installation in August this year. Håkan: "We still have to evaluate the first results, but it already looks very promising."

Team effort

Håkan stresses that the whole team at Avebe Malmö contributes to the site's and the company's sustainability targets. "Our operation is agile: when we need to change something, we do a risk analysis

Like Nike, we just do it!

and if that is positive, we go ahead immediately. Like Nike, we just do it, so to speak. We learn along the way and management gives us the room we need to do it. This is necessary, because making practical changes also mean a changing mindset in the organisation. It takes time and effort to achieve that. We are a small part in Avebe's sustainability chain. Our basis, the farmers make a large contribution. If we can contribute to the company's goals, we are proud and happy to do so."

"Customer intimacy is part of who we are."

Insight into your customers creates strong relationships and targeted innovation that allows you to make a difference.

That's Royal Avebe's vision, as well as a shared philosophy of the companies we work with. Stefano Tagnin works at the Italian company Favini, manufacturers of high-quality paper and customer of Avebe. He explains how Favini focuses on customer intimacy to achieve this.



As a Group Purchase manager, Stefano Tagnin is responsible for purchasing at Favini. He has been with the company for no less than thirty years. Customer intimacy is an important part of Favini's values. The starting point is to always focus on the relationship when interacting with the customer, with an eye for both the goals of the customer and those of Favini itself. This creates trust and a successful collaboration and as thus a basis for sustainable, long-term relationships with customers.

With thirty years of experience under your belt, how would you characterise the paper industry and your work?

"I work in an often innovative, sometimes tiring, but very stimulating sector. Each day I work with people inside and outside our organisation. I simply love working on different ideas and to always tackle interesting challenges."

How does the customer intimacy strategy fit into this industry and Favini?

"Customer intimacy is not so much a

strategy for us, it defines who we are. It's a working philosophy that has matured over the years within the Favini workforce and is now the cornerstone of how we operate and interact with customers and colleagues. This way, our way of being becomes part of each of us."

Why is that important?

"Customers rarely change suppliers for reasons of price alone. The relationship plays a very important in this decision. We believe that working constructively with customers, but also with suppliers and colleagues, helps to achieve much higher goals. This concerns all interactions with the customer and it's even part of our company values. Each letter of the name Favini represents one of our values and the A is for Amore, which is Italian for love. It stands for the love for people, for connection and for working together to create something beautiful."

What's in it for Favini?

"The figures show that customer intimacy, building long-term relationships, works. Relationships with customers and suppliers can often look back on a long history. Customers are loyal precisely because at Favini they find the answers to their ideas and needs. Suppliers too continue to supply raw materials or services for many years and staff turnover is only 2 percent. Quite something when you bear in mind that 600 people work at Favini, particularly so when a large part of that turnover is in fact accounted for by colleagues retiring."



Campaign price, potato price & performance price.

So what really goes into the members bank accounts? And what do we mean by the cooperative performance price? Royal Avebe uses various terms for its financial performance and potato payments.

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The campaign price

The campaign price forms the base of the potato price received by the members for the potatoes they deliver. The campaign price is influenced by developments in the market and what Avebe can pay out. The campaign price is based on 'standard' potatoes with a starch percentage of 19% and delivered under the A volume.



The potato price

The potato price is the campaign price plus the performance components: starch content, delivery time, quality premium and the premium for fulfilling the A volume. Reductions are sometimes applied for tare. This is the 'ex farm' potato price. Loading and transport costs are borne by Avebe.



The performance price

The performance price tells us how the cooperative is performing. Unlike what the name would suggest, the performance price is not in fact a price. In fact, it is the key indicator that shows us how Avebe is doing. It is a sum that begins with the money paid to the members, including all performance components and deductions (the potato money).

To this we add the costs of transporting the potatoes. This amount, which Avebe has paid for the total volume delivered, is then reconverted to a standard quantity of potatoes with 19% starch.

The cooperative's result is then incorporated in the performance price. Part of the cooperative result can be paid out to the members in the form of a subsequent payment if this is approved by the Members' Council. We call this a payment from the cooperative result.

Avebe in figures 2022/2023

Solvency

| | 2022/23 | 2021/22 | 2020/21 | 2019/20 | 2018/19 |
|--|---------|---------|---------|---------|---------|
| group capital* | 222,0 | 211,4 | 208,6 | 205,5 | 203,7 |
| borrowed capital* including provisions | 502,2 | 424,9 | 375,5 | 284,9 | 269,7 |
| total capital* | 724,2 | 636,3 | 584,I | 490,4 | 473,4 |
| solvency | 30,2% | 32,5% | 35% | 41,9% | 43,0% |

^{*} x I mlo euro



| 2022/23 I3I8 I8% 82% 202I/22 I332 I8% 82% 2020/2I I389 I8% 82% 20I9/20 I38I I9% 81% 20I8/I9 I424 I9% 81% | | average number of | percentage female | percentage male |
|--|---------|----------------------|----------------------|--------------------|
| 2020/2I I389 I8% 82% 2019/20 I38I I9% 81% | 2022/23 | 1318 | 18% | 82% |
| 2019/20 I38I I9% 8I% | 2021/22 | 1332 | 18% | 82% |
| | 2020/21 | 1389 | 18% | 82% |
| 2018/19 1424 19% 81% | 2019/20 | 1381 | 19% | 81% |
| | 2018/19 | 1424 | 19% | 81% |



10-year average % starch yield per hectare

% starch yield per hectare

target % starch yield per hectare



140 133,34 120 98.56 100 96,63 96,15 93,30 per ton of potatoes (euro) 85,81 82,16 80 60 40 20 2016/17 2017/18 2018/19 2019/20 2020/21 2021/22 2022/23









Big leap for PN1 without investment.

The PN1 line for pneumatic drying in the factory at the Ter Apelkanaal site has made a big leap in productivity. Thanks to the collaboration between Production, Maintenance and Process technology, the puzzle could be completed with minimum interruption.

"We want to grow this strategic PN1 line to meet the increasing demand for its products. This can be achieved by making investments and using what is already in place. The great thing is that we managed to achieve half this growth without making investments, which already makes it a success," Operations manager Hylke Zijlstra explains.

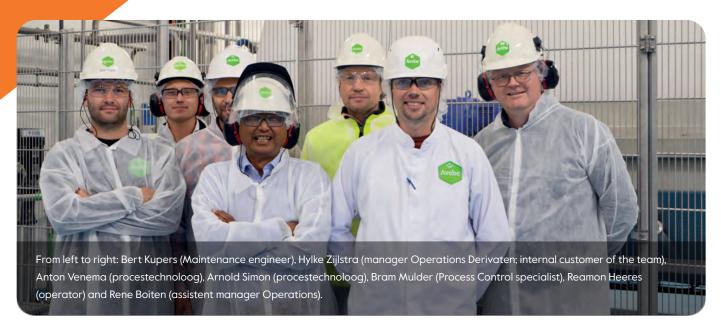
Control specialist Bram Mulder, process technologist Anton Venema and the team working on this line completed the puzzle together. According to Anton, the request for growth was put to Hylke earlier this year, which prompted them thinking about a solution. "By forcing the triangle maintenance-production-process technology, supplemented by Bram as a control specialist, to think as a unit, we managed to optimise the drying process."

The vacuum filter, a part of the starch drying process, must be cleaned several times a day to ensure that the process does not get stuck. We call this the 'cake drop'. And this appeared to offer some room for manoeuvre. Previously, production would stand still for twenty minutes, but it can in fact be realised three out of four times without downtime by doing the intensive cleaning once every four times. The added bonus is that all processes that follow can continue where they left off.

Hylke calculates that, provided all the extra starch finds the market, it will yield more than one million euros annually.

Mulder says that all colleagues contributed to simplifying the cake drop: "This way, it is realised with minimum production loss and demonstrates that we can implement something in a very short time."

The interruptions without production disappear with the adjustment of the working method, Hylke shows. Bram further explains that the operation has been kept as simple as possible. Anthony: "In addition to removing the disruption, the operation has been adjusted so we can produce a maximum of 400 kg more per hour whilst enjoying less downtime." Hylke: "The team did a great job. If we had said this 18 months ago, most people would have thought we were mad. But it's possible if you dare to go for it and continue to challenge each other, 'Play to Win!'. We thought about it carefully and took the right action: innovation on location."





Avebe

On the land.







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