Belgium - Europe's sustainable innovator goes from strength to strength

Having weathered the worst of an unprecedented global crisis with remarkable resiliency, the Belgian economy is bouncing back big. Though the country is small, with a population of just 11.5 million, its open economy, robust infrastructure, highly-skilled workforce, and enviable position in the heart of Europe has given Belgium a distinct set of competitive advantages.

GDP growth contracted by 6.3% in 2020, but it has rebounded strongly in the months since. Fitch Ratings recently revised its GDP growth forecast for Belgium to 5.8% in 2021, against 3.8% previously, reporting that a second lockdown lasting from October 2020 to April 2021 did not derail the country's economic recovery. According to Fitch, the country's high vaccination rate - 72% of the population was fully-vaccinated as of September 2021 - is also supporting a better-than-expected growth performance, meaning that permanent damage to the country's growth and output will be much smaller than expected.

As Prime Minister Alexander De Croo detailed, the Belgian economy is recovering more strongly than previously forecast thanks to the effective and efficient support measures of the government, which preserved the country's economic fabric:

"We avoided 'on/off measures' as much as possible. Our strategy has been stable, with economic restrictions that were in place for a long time, but which were still less strict compared to neighboring countries. Having these stable measures in place allowed us to keep the healthcare situation in hospitals under control, while at the same time providing transparency to businesses. While businesses would certainly have preferred fewer constraints, they were, a least, not constantly faced with changes in strategy and policy," he explained.

Prior to the pandemic, the Belgian economy had been recording modest but stable growth, with GDP expanding by an average of 1.7% annually from 2015 to 2019. Employment growth was equally stable over the same period. While the Belgian economy has been dominated by the services sector since 2014, with transport, tourism, and financial services standing as leading sectors of this segment, a robust base of manufacturers has helped support and sustain diversified economic growth over the years. Belgian manufacturers also play a critical role in European supply chains, according to Johan Thijs, group CEO, KBC Group:

"This country is also very good in producing semi-finished products, which is a building block for Germany, Italy, France, and other countries, and this is intrinsically a core part of business. We have a lot of small- and medium-sized enterprises that are expanding, and so we have enormous growth. For an investor with that in mind, Belgium is a very interesting place to invest in."

An export-oriented attitude is reflected in Belgian business culture, added Frans Castelein, chairman of leading baked goods producer Poppies Group:

"Belgium is a gateway to Europe, and the country has a lot of advantages. In terms of culture, Belgians always adapt, and that makes us strong in terms of doing business."

A strong manufacturing base has supported significant recent growth in exports, which remain a crucial economic pillar. According to the United Nations Conference on Trade and Development (UNCTAD), Belgium's merchandise trade surplus has expanded enormously in recent years, more than doubling to hit $24.7 billion 2020 from $15.7 billion in 2005. Service exports, too, have soared, nearly doubling over the same period to hit $116.1 billion.

UNCTAD further reports that Belgium is a regional leader in terms of global liner shipping network connectivity, further supporting robust transport, logistics and export growth.

Philippe de Moerloose, chairman and founder of SDA Holding, argued that strong connectivity is perhaps the country's most important competitive advantage, because it supports private sector growth and investment: "The private sector is very strong, and it is strong because the country offers great advantages. One of them is the geographical location. We're in the heart of Europe - 1.5 hours to Paris, and 2 hours to London or Amsterdam by train. Another important advantage is the importance of Belgium from a logistics perspective. We have two large and efficient harbors: Zeebrugge and Antwerp, and when speaking about internationalization, this point is key."

Human capital is also a crucial component of Belgium's economic success. The Belgian workforce is multi-lingual, well-educated, and able to transfer these skills to success in business, as Hans de Cuyper, CEO of insurance firm Ageas, asserted:

"Belgian businesses are quite culturally adaptive and quite flexible to deal and develop business with other cultures. This is absolutely part of the DNA of our group. I believe there is an opportunity to attract more foreign direct investment, because I believe we have some key strengths, what I would call a high cultural IQ or EQ. This is definitely a strength for Belgians going overseas," he said.

Belgians are also among the world's most hard-working people: according to the Organization for Economic Cooperation and Development (OECD), productivity in Belgium is on average 12% higher than OECD top-performers, while inequality is lower than in most advanced economies. For Ignace De Paepe, President of MG Real Estate, the strength of Belgium's human capital is what sets it apart from the rest:

"People love Belgians because we do a great job and foreigners like to work with us. We always feel welcome and well-received in Scandinavian countries when we come to work there. In that aspect, MG as a company resembles the Belgian culture, because we do not speak out loudly about our accomplishments but rather let our work speak for itself."

The country's close proximity to so many important European capitals has also given it one of Europe's most multi-lingual workforces as the icing on the cake, as Bart Verhaeghe, chairman of the football team Club Brugge, highlighted, although you won't hear many Belgians bragging about it:

"Belgium is a nice country to live in. It's got great education and people speak many languages. There are a lot of advantages to this country. We should be proud of it, maybe in the humble way we are used to doing. We have quality corporates and brands. Like Club Brugge, we strive for quality in everything we do."

Looking ahead, economic growth will be underpinned by the financial firepower of the European Union. Facing supply chain uncertainties, global logistics logjams and a potential energy crisis, the Belgian government will add rocket fuel to its ongoing recovery with the Next Generation EU plan, a massive EU-level undertaking that will channel billions to member states for new digital and green investment.

Belgium was one of the first such states to submit its ambitious program, which foresees €5.9 billion of spending on 85 investment projects and 36 reform projects. Belgium's plan is greener than the minimum requirements imposed by the European Commission, and a quarter of its resources will be dedicated to digital professions, making it a true leader in Europe's ongoing green and digital transformation.

But even before the pandemic, Belgium was at the forefront of European innovation. Eurostat reports that in the 10 years to 2018, the country's R&D expenditure jumped from 1.81% of GDP to 2.49%, equivalent to an additional €5 billion of new spending. Daniel Malcorps, CEO of leading chocolate manufacturer and exporter Puratos, commended the Belgian government for recognizing the vital role innovation plays in economic growth:

"Belgium is making an effort. If we take the financial aspect, companies are getting a lot of help from the government in terms of R&D and mass programs. There is a program called 'Beyond Chocolate,' for example, aimed at sustainability, which was the initiative of the Prime Minister. At the local level, when we need support, we get it from Belgian embassies and consulates in many countries."

And though it has received little international attention for its role in fighting the Covid-19 pandemic, Belgium is a production site for three Covid-19 vaccines, and is also home to sites operated by or on behalf of the world's 10 biggest private pharmaceutical firms. It has played one of the most essential roles in all of Europe in terms of vaccinating the world, De Croo explained:

"The successful development of the vaccine is our best business case from the recent past. Thanks to our know-how, our qualified people, and our historical relationship with companies such as Pfizer or Johnson & Johnson, Belgium is a key global player. With more than 530 million vaccines exported to the four corners of the world, Belgium has consolidated its reputation as the world's vaccine production hub."

For optimistic stakeholders such as Philippe Vlerick, CEO of Vlerick Group, the pandemic and Belgium's star role in vaccinating Europe serve as a teachable moment about the value of innovation, and present an unprecedented opportunity to accelerate investment in key areas of innovation where the country is already a leader, including biotechnology:

"In biotech in particular, we have fantastic research linked to the Belgian universities. We have phenomenal clusters around universities where entrepreneurial spirit is fostered and practical research is applied. The best ideas will remain just that, ideas, unless they are linked to practical applications with a purpose to make life better, to improve things. I love to support projects like these. I believe we have a fertile ground for innovation, especially in biotech here."

Content from
The International Investor

Alexander De Croo
Prime Minister of Belgium

With so many positive factors working in its favour, Belgium's recovery will likely be among the most robust and sustainable in Europe. Fitch forecasts GDP growth will continue rising in 2022, hitting 3.5%, before slowing to 2.2% in 2023. The country will no doubt continue to punch above its weight, as De Croo concluded, and the future looks bright:

"Belgium has not experienced a massive wave of bankruptcies. Our companies have not had to lay off people en masse. Business confidence is at an all-time high. The Belgian economy grew by 1.7% in the second quarter of 2021, confirming a good growth outlook. We see the economy picking up again as soon as the remaining restrictions are lifted, and expect it will be performing better than before the COVID-19 crisis soon. Last year, we would have been overjoyed to have the economic buoyancy we are seeing now."

KBC
Innovation and digitalisation


Johan Thijs
CEO - KBC

Noting a "strong, sustained public health and economic policy response" to the covid-19 pandemic, a June 2021 IMF report on Belgium pointed a strong rebound in economic confidence, and forecasted growth of 5% for the year. Private consumption, investment and an improving global environment should support growth, which will further be boosted by EU funding packages.

One of the wealthiest countries in Europe, Belgium's economic strength has contributed to the vibrancy of its financial services industry. At the end of 2019, just before the pandemic, Belgian households' financial assets were equivalent to nearly 300% of GDP, according to the European Banking Federation. Belgian banks have led the way in digitalisation, ranking third out of 39 countries surveyed in Deloitte's 2020 Digital Banking Maturity report.

KBC Group has been front and centre of these developments. The group as a whole has been laser-focused on pushing the boundaries of innovation under the leadership of CEO Johan Thijs. "We are one of the most innovative banks in Europe," says Thijs. "We have a very specific bank-insurance digital first business model, which is driven and tailored towards the future and is very pioneering. We always start from the perspective of better serving our customers, while always trying to anticipate what will happen in the next coming years. We are now at the next level strategy-wise, we will proactively fulfil customer needs digitally."

To this end, KBC is investing heavily in technology, including data gathering and analysis - it employs around 100 artificial intelligence engineers. Through a combination of tech and human interaction, the group aims to predict customer's needs ahead of time.

The business has undergone two transformations in the past two and a half decades. Firstly the merger in 1998 of two main Belgian banks and an insurer that created the current bank-insurance group, the success of which has made it a case study for business schools. Secondly, its restructuring after the 2008 global financial crisis, when the bank had been hit by losses arising from derivatives, and had to seek government support. Thijs was appointed group CEO in 2012 and has overseen the overhaul that has led to KBC being among the fifteen biggest banks in Europe, and paying back the government loans five years earlier than planned. Thijs himself has been nominated by Harvard Business Review as one of the top-ten performing CEOs in the world three times, marking him out as one of the world's leading bankers.

"KBC has completely restructured its way of working, its way of doing business, and also its mindset on a few issues, amongst them risk-management," he says. "Our approach starts from the main point that everything that we do needs to be customer centric; we involve our staff as the most crucial asset in order to serve to our customers. This has been the main driver of our success."

KBC has embedded a corporate culture following the acronym PEARL: Performance, Empowerment, Accountability, Responsiveness and Local embeddedness. While underpinned by these principles, KBC updates its strategy every three years to ensure that it stays ahead of the pack.

This approach and a combination of vision and execution delivers commercial success: the group achieved net profit of €1.44bn in 2020, despite the global recession. Listed on Euronext, KBC has thus been able to deliver for its investors, raising return on equity from 17% to 18% last year.

While present in more than 20 markets worldwide, KBC focuses on six core markets: Belgium, the Czech Republic, Slovakia, Hungary, Bulgaria, and Ireland. This provides the business and its investors with a mix of affluent, mature Western European markets, and fast-growing markets in Central and Eastern Europe. The group generally targets markets of 10m-15m people in which it can become a market-leader, with established brands. Geographical diversification is partnered with business and thus revenue diversification, with a €220bn asset management arm in addition to banking and insurance. In the coming years, KBC will consider add-on acquisitions in its core countries as well as potentially entering new markets that fit with its business model.

As it has grown, KBC has continued to draw on the competitive strengths of its own market, which Thijs sees as one of the world's quiet success stories. "Belgium has a highly-educated and multilingual population, and a great location," he says. "It's a great place to invest. In terms of innovation and entrepreneurship, there's a lot going on here."

KBC

Content from
The International Investor

Ageas - Pursuing growth from Europe to Asia

Belgium's post-2020 economic rebound has been among the strongest in the eurozone, with the European Commission forecasting that GDP growth will jump by nearly 12 percentage points in 2021 to hit 5.4%. The mid-term forecast is equally bright: GDP at current prices is expected to surge over the next five years, rising by 18.1% to hit $683.64 billion in 2026.


Hans De Cuyper
CEO - Ageas

Resurgent economic growth will be underpinned by the country's robust financial services sector, including its mature and diversified insurance industry. Deloitte reports that growth in the insurance industry growth has been stable to positive over the past decade, with the property and casualty segment expanding by an average of 2% annually. Having dominated the domestic market, established local players are well-positioned to continue to expand their operations, both in Europe and further afield. The country's top player, Ageas, is prepared and ready for the next growth phase.

Founded in 1824, before Belgium was even a country, Ageas benefits from deep experience in the Belgian, British, and other continental European markets, and has been expanding rapidly into Asia in recent years. As CEO Hans De Cuyper explains, its history is complemented by a dynamic approach that has kept it at the forefront of the sector.

"Ageas is a company that has constantly been able to adjust and evolve to changing times. As a Group we have also built a reputation in the insurance sector for innovation. We were the first Group to launch complimentary pension systems for white-collar workers even before legal pensions were introduced. We have consistently shown the ability to adapt throughout our long history."

More than 3 million customers in Belgium, where Ageas operates under the AG brand, have access to the entire Ageas product line through 4000 independent brokers, as well as branches of AG's bancassurance distribution partners, which include BNP Paribas Fortis, Fintro and bpost banque.

An emphasis on products tailored to the needs of individuals and SME's, including life and non-life products, as well as employee benefits for corporates has served it well. Ageas is the number one player in the life insurance market, and number two in the non-life segment, with nearly one in two Belgian households now customers of the company. The company's real estate subsidiary, AG Real Estate, also manages a diversified portfolio of assets valued at €6.5 billion, making it the Belgium's largest private real estate group.

Ageas' international operations, meanwhile, are dynamic and growing fast. In Asia the insurance Group started in Malaysia and China in 2001. In this region Ageas is structured somewhat differently to others in the market based on a deliberate decision to work in partnerships with local players, often as a minority shareholder. This has enabled strategic expansion without precedent, according to De Cuyper:

"It is not a priority for us to plant the Ageas flag in every market in which we are present. We strongly believe that a partnership model with strong local partners, and branding reflecting the local culture and local society is key for our success. When we started expanding into China in 2001, for example, we took a 25% shareholding in Taiping Life Insurance, the life insurance company under China Taiping Insurance Holdings, and we were able to benefit from our partner's national license, meaning we were not limited to only one city. At that time we were the only international insurance group that entered China this way, and now we are one of the leading life insurance partnerships in China" Hans De Cuyper, CEO explains.

A sharp strategic vision and atypical approach to expansion have supported a strong recent financial performance: gross inflows reached EUR 35.6bn, and Group net profits stood at €1.141 billion in the same year, despite the challenges brought about by the pandemic. Belgian' AG recorded EUR 6.1bn gross inflows and EUR 411mn net profit contribution to the Group. The Asian operations have also performed strongly, with gross inflows and net profits hitting €25.2 billion and €269 million, respectively, in 2020.

As he looks to the future, De Cuyper sees new opportunities for strategic partnerships, both in Asia and across Europe. The company is also seeking long-term investors drawn to the company's strong emphasis on stable European markets and Asian growth markets.

"Our partnership approach translates to strong local autonomy. We are a €36 billion revenue company, but our HQ is made up of just 180 people, underscoring just how strong the local autonomy is, which is also a benefit for the partners we have," De Cuyper concluded.

Ageas is now embarking on a new 3-year strategic plan named Impact 24 with sustainability and long-term thinking at its heart. It is a sustainable growth strategy built on its historical strengths with the aim to both unlock the full potential that already exists within the core business while investing at the same time in new growth engines that complement the company's strengths. And partnerships, which sit at the heart of Ageas' DNA, will become even more critical, as Ageas looks to further strengthen its traditional partnerships while fostering new types of alliances that position the company strongly for the future.

ageas.
Supporter of your life

Club Brugge - From football club to global brand

A combination of an excellent economic climate combined with an openness to the world and a long sporting tradition has made Belgium's football league and its national team among the best in the world. The national men's team currently ranks top in the world according to FIFA, the sport's international organising body. A 2020 report by Deloitte estimated that the total output of the Jupiler Pro League, the country's top football division, was $1.2bn. Riding high at the top of the league is Club Brugge, which has won four championship titles since 2015, and has undergone an impressive transformation from old school football club into an innovative, leading, commercially run sports- media and entertainment group over the past decade.

The transition has been overseen by Bart Verhaeghe, a Belgian businessman and lifelong Brugge fan who became chairman in 2011 and the club's main shareholder in 2012. "Football is a fast-growing global business, and we have made Club Brugge the market leader in Belgium" Verhaeghe says. "We embarked upon a multi-year transformation programme, including a professionalization of the club's management and organization. To become a solid and profitable company, we've invested in people with expertise and knowledge. We pushed innovation and data management through all sports and business departments. And we created a state of the art basecamp in Knokke-Heist for our teams."

Bart Verhaeghe
President - Club Brugge

The approach has borne fruit. Since 2015, Club Brugge has won four championship titles, two Belgian Super Cups, one cup and most importantly it has participated five times in the group stage of the Champions League. By being a regular participant of Europe's premier continent-wide football competition, Club Brugge shows itself as an important shop window for clubs looking to attract top talent and sponsorship. Verhaeghe expects the club to break through into the tournament's knockout last sixteen stage in the next seasons.

The club has also built its reputation by its high-quality youth academy, recently rebranded as 'Club NXT'. "It's our goal to develop young talented players, several each season, to become part of the first team" Verhaeghe explains. "We even give this next generation the chance to play at the highest level, like our academy product Charles De Ketelaere who made the winning goal against Zenit in the group stage of the Champions League in 2020." Club also established an extensive scouting network, to screen football talent in key target areas around the world. When playing at Club Brugge, players get the chance to play in the Belgian league and even in the Champions League. We guide and prepare them for the major European leagues, even for the Big 5 Leagues. Several top talents like Krépin Diatta (now AS Monaco) and the Ivorian defender Odilon Kossounou (now Leverkusen) developed their talent, power and skills at Club Brugge. Because of that unique position in a global football market, Club Brugge will continue to develop this network to further bolster its player transfer revenue model."

The club's new commercial focus and recurring strong transfer revenues have allowed it to boost its turnover from $51m in 2011 to $161m in 2020 under Verhaeghe's leadership. "Core to our success has been a strategic focus on innovation, including the deployment of technology throughout every part of the business" says Verhaeghe. "This focus on leveraging data analytics on both the sports and commercial side has led to higher success rates in both sporting and commercial risk-reduction."

The embrace of technology has varied from use of DNA analysis to improve player performance, to increasing the club's online presence to create a "24/7 fan experience" with fuller content and greater fan interaction. The use of technology and the transition to an integrated sports-media-entertainment company has been accelerated during the covid-19 pandemic.

The club's B2B functions have also been enhanced, with Brugge's Club Media House the first content development department of its kind in Belgium, and a key platform for advertising partners. "Club Brugge became an important partner for companies to interact with their consumers" says Verhaeghe. "We became the marketing agent of bigger companies."

This approach has attracted partners ranging from Pepsico to sports betting leader Unibet, as well as a $59m investment from American investment fund Orkila Capital. Orkila owns leading global brands such as Ironman and Oatly and will help Club Brugge to grow further in digitization, intellectual property, and content development as well as direct-to-consumer business strategies.

Club Brugge's success has led to it being a model for football clubs worldwide, and Verhaeghe has been working internationally to coach budding clubmanagers by lecturing in the UEFA Executive Master for International Players (MIP). The club plans spin-off businesses to help other sporting organisations develop in fields from scouting to sports medicine and data management. Most importantly for the chairman, his club has become the reference for Belgian football. And as an entrepreneur, he also highlights the country's sporting and commercial strengths.

"Belgium is the centre of Europe, and has assets at least equal to those of the Netherlands and France," he says. "We have highly-educated and multilingual people, and excellent infrastructure. We have a lot of great companies and brands. But perhaps we are too humble. We need dare to express our quality, and therefore I dare to say that I am very proud of the quality of our club, on and off the pitch."

Verhaeghe's optimism sounds justified. Business investment and pent-up demand from domestic consumers will power Belgium's economy to 4.7% growth in 2021, according to the Organisation for Economic Cooperation and Development (OECD), a grouping of affluent nations. The OECD forecasts growth of 3.5% in 2022, with the economy surpassing pre-pandemic levels before the end of the year.

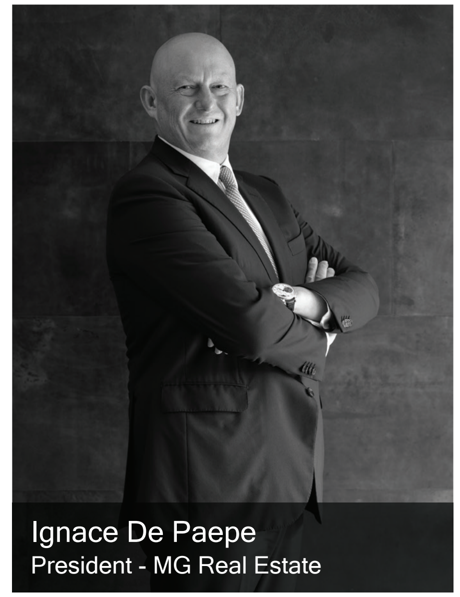
MG Real Estate - Scaling new heights

Ranking fifth across Europe in attracting foreign direct investment, Belgium punches well above its weight at a global level. The "Attractiveness Survey Belgium" published by professional services company EY in 2020 notes that in 2019, the year before the covid-19 pandemic, Belgium attracted 267 FDI projects, more than the Netherlands, Ireland, Russia, and Turkey. The report highlights the country's competitive advantages as an investment destination, including its educated workforce, geographical location, and stable and transparent legal and regulatory framework.

This healthy macroeconomic environment has buoyed Belgium's large and sophisticated construction sector, which will be worth nearly $95bn by 2024, according to research from GlobalData, a data and analytics company. Growth will be boosted by large-scale government infrastructure investments, rising household disposable income, low interest rates, and a temporary cut in tax on demolitions and reconstructions.

Belgium-based MG Real Estate (MGRE), one of Europe's leading developers, is riding this wave, working with some of the world's top companies, and actively seeking new partnerships in its core European markets and beyond. "We are looking for clients that want to have a great location but have problems with it: they cannot find a plot of land or cannot deliver their building on time, or the price is not right," says MG Real Estate President Ignace De Paepe. "They come to us, and we solve their problems immediately."

The company's roots are in De Paepe's father's business. When his father passed away in 1985, the young De Paepe suddenly had significantly increased responsibility, and a big new project immediately landed on his desk - the demolition of a Texaco refinery in Ghent. With 250 hectares of contaminated soil to clean, the project was unprecedented in Belgium in its scale and scope. De Paepe, then in his early twenties, led the successful execution, and from then on his ambition to deliver for clients has remained undimmed. Work on more brownfield sites, particularly with contaminated land, followed, and a reputation for honesty, probity, and rapid execution was cemented. The company President's bid for work on an old Shell depot in Neder-Over-Heembeek was initially rejected, until it became clear that


Ignace De Paepe
President - MG Real Estate

the other bidders had less favourable terms in the small print of their offers. De Paepe's bid - with a set, transparent price, closed and paid in advance - was eventually accepted, and the site was his.

In 2000, De Paepe decided to move into development, and established MGRE, bringing the Technical Director from his previous business with him. The company has now delivered over 75 projects in 21 years, and has 15 currently underway. Landmark projects include a logistics hub at Copenhagen Airport for FedEx. In record time, MGRE developed the complex, with a surface area of 8000 sq m, where 11,500 parcels a day can be sorted and shipped by 18 aircraft and 170 trucks. The development, with a parallel expansion and renovation of logistics buildings for aviation ground support operator TCR, marked MGRE's first move into Scandinavia, a market where it continues to expand and seek new opportunities; South of Europe is also key for future growth.

The company's vertical integration, and De Paepe's leadership and active involvement - "I am always available" - are factors behind one of MGRE's biggest competitive advantages - the speed of delivery. "We are fast - our aim is to solve problems very quickly, come to agreements with clients and partners very quickly, and be quick with construction," says De Paepe. "There are few competitors who can be as fast as we can be, as we can do everything in-house, from acquiring land to giving the new tenant the key to their property."

This speed has become particularly advantageous during the covid-19 pandemic, as logistics clients have had to meet demand from the rapid growth of e-commerce. MGRE recently delivered a new building in under four months for French parcel delivery company Colis Prive (Amazon) at the former's MG Park De Hulst in Flanders. Colis Prive joins tenants including Toyota and retailer Metro at De Hulst, Belgium's first carbon-neutral logistics park.

In its honest and straightforward approach, De Paepe sees MGRE as typifying a particularly Belgian outlook - an outlook that continues to deliver results well beyond Belgium's borders. "Belgians know what we are talking about and where problems are. We follow the contract and do not play with our clients," he says. "We are quite humble, and our companies do not shout from the rooftops, but they do a great job, and people want to work with them."

MG
REAL ESTATE

Puratos Group - Innovation and quality

A family business with a rich history, Puratos started in a garage more than 100 years ago, in 1919 in Belgium. Since then and up to this day, Puratos strives to help their customers be successful with their business, by turning technologies and experiences from food cultures around the world into new opportunities.

From a father-and-son operation in a tiny workshop into a major corporation whose activities cover the whole world, Puratos today is an international group, which offers a full range of innovative products and raw materials for the bakery, patisserie and chocolate sectors. Puratos is the supplier of choice for some of the world's biggest brands with 93 innovation centers, 65 production units and products sold in over 100 countries.

Although the group is now more than 100 years old, CEO Daniel Malcorps explained that its core values have remained unchanged over time: "Since Puratos was founded, we've been driven by a passion for innovation, helping our customers around the world to deliver nutritious and tasty food to their local communities. Our relentless quest to understand customers' needs and expectations combined with our extensive consumers research and our people is our main source of inspiration for innovation."

The group's strong focus on innovation has seen it undertake extensive R&D into consumer preferences. Puratos' proprietary research program, Taste Tomorrow, celebrates its 10th anniversary in 2021. Puratos questions more than 17.000 consumers in 44 countries, talks with foodies in trend-setting cities and interviews both customers and industry experts in combination with using the latest digital technologies and semantic artificial intelligence techniques. This data is complemented with a global trend spotting network and exhaustive sensorial research that is gathered with the help of their Sensobus, a unique and fully-equipped sensory analysis lab on wheels that can travel to where consumers shop for food and welcome up to 300 people a day. With Taste Tomorrow, Puratos helps customers win wherever they are in the world by providing real-time, actionable consumer insights.

Puratos is also investing more into its burgeoning health and well-being business line, on top of new advancements in digitalization, as Malcorps highlighted: "At Puratos, we have always believed that the food production process impacts the health of consumers and touches our planet. Health and well-being has been

Daniel Malcorps
CEO - Puratos Group

at the heart of Puratos' research and development activities since the 1920's. We systematically optimize the nutritional values of new and existing products. We increase the availability of ingredients recognized for their positive impact on health (such as fruits, fibres and wholegrains) and decrease the presence of ingredients such as salt, certain fats and sugars."

Beyond health & well-being and innovation, Puratos also recognizes the critical role its employees play, and the group has been moving to integrate sustainable principles and social programs across its sweeping global operations.

For example, in 2014 Puratos launched a program called Cacao-Trace. It helps cocoa farmers increase their revenue thanks to the production of superior tasting chocolate, achieved by mastering the fermentation process. The program pays 40% more than market prices for cocoa to its farmers, and helps them improve quality and yields, to ensure the highest environmental, sustainability and governance principles are upheld in its supply chains. The continuous efforts of Cacao-Trace benefit all, and specifically the cocoa farmers as they receive an extra Chocolate Bonus (of 10ct) for every kilo of chocolate sold. Today the premium price and chocolate bonus add up to the equivalent of 3 to 4 extra months of salary. The proof of the program is in the tasting, and in the improved quality of life for cocoa farmers. Recently, Puratos has closed on a €1 billion financing from a group of private investors in order to accelerate the Cacao-Trace program even further.

Another proof of Puratos' dedication to sustainability is in its environmental sustainability efforts and objectives. Puratos aims at becoming 100% carbon-neutral by 2025 and water-balanced by 2030. Malcorps highlighted: "Sustainability has been part of who we are as a company for decades and long before it became a trend. Environmental sustainability is very high on our agenda. We aim to embed our social responsibilities into our entire value chain, going from the sourcing of raw materials up to the usage of our products by customers and consumers. That is the foundation of our program 'our commitment to you and to future generations' for better health, a better planet and a better life. We are inviting customers and potential customers to join us in this value creation journey in order to create a better future together."

With global F&B demand expected to surge during the post-pandemic recovery, Puratos is set for a booming growth period - but Malcorps insisted the company will stay true to its original values as it continues to expand: "Looking forward into the next century, we will keep our focus on being a financially healthy company. We also want to remain a family-owned company to afford a strategic long-term view instead of being driven by quarterly results. And we also want to continue to have a positive impact on society and our planet. We consider ourselves a global company, while never compromising on being local everywhere we operate. Being close to our customers and communities is what makes us unique."

Puratos
Reliable partners in innovation

Content from
The International Investor

Poppies Bakeries

Artisanal baking with a global reach

Belgium, as a major food producer and exporter, benefits from a diverse and mature base of top-quality companies. Its bread and bakery goods market is a particularly strong performer, and the country ranks sixth in the European Union in terms of total value, at €4.1 billion in 2021. The market grew by an average of 3% annually in the five years to 2021, despite the challenges brought on by Covid, and it is projected to remain on an upwards trajectory as middle-class growth in new markets drives demand for premium baked products. Poppies Bakeries, a fast-growing sweet bakery company with artisanal DNA, is already capitalizing on new opportunities.

While many Belgian entrepreneurial dreams started off in a garage, the story of Poppies Bakeries began in an artisan bakery in 1976. Economics-graduate Frans Castelein and his brother-in-law, master baker Luc Popelier, started baking and selling traditional Flemish pastries and biscuits to local market vendors, small shops, and local organizations. The direct connection with their customers taught them which products were loved, appreciated, and which ones sold best.

Gradually, by understanding the artisan bakery principles and finding clever ways of scaling them up - sourcing the right ingredients, developing recipes that yield great taste, and carefully monitoring the quality - they grew into a partner for bigger customer groups.

Through acquisitions, Poppies Bakeries expanded their bakery expertise and their offering to become a global reference as a trusted supplier for private labels and own brand sweet bakery products (e.g. Poppies and Delizza). Through its global network of partners in retail, food service and business to business they manage different channels: from ambient, to frozen and fresh. In ambient they offer biscuits, cakes and pastries such as puff pastry cookies, their famous 'popiroll cigarette', speculoos, Swedish oatmeal cookies, coconut cakes, jam and brownie slices and waffles. In frozen they offer a whole range of frozen desserts such as profiteroles, eclairs, macarons, donuts and many different assortments. Recently they are focusing on the fresh bakery section where they offer high-

Patrick Reekmans
CEO - Poppies Bakeries

quality pastries with the best ingredients in different packaging options, as convenient solution for the in-store bakery department of their retail customers.

Currently, Poppies Bakeries has more than 1,000 employees and 14 production sites spread across Europe (Belgium, the Netherlands, France, Sweden) and the USA. Moreover, they sell their delicacies to more than 60 countries from 8 sales entities worldwide.

According to CEO Patrick Reekmans, the secret to Poppies Bakeries' rapid growth comes down to a sharp, forward-thinking development strategy aimed at attaining and safeguarding sustainable growth: "In the beginning it was a slow start, but in the past 10 years the business has become more self-propelling. Acquisitions have been one of the major cornerstones of our business plan because acquisitions allowed us to instantly offer new kinds of product categories to our customers. And with success, together with our customer-centricity way of working we succeeded to become the valuable partner to our customers that we are today, offering a wide range of pastries, biscuits and other sweet bakery products under both their and our labels. A global network of sales organizations is continuously working to expand our company further into existing markets in Europe and in the USA. At the same time we put more focus on entering new markets in Asia and Eastern Europe."

For the founder, Frans Castelein, it's a logical next step for a smart, competitive business, and he is open to new partnerships as the group looks to the future: "We've worked with our existing partners with great success for many decades, and we are enthusiastic about long-term relationships and partnerships because we're a family company and we think in terms of generations. At the end of the day Poppies Bakeries has made the right decisions to make it a success story," he concluded.

Poppies
MASTER BAKER

Soudal Group - Growing globally with its customers

Ranked first in the world by the World Bank for the ease of trading across borders, Belgium has long benefitted from its strategic location and openness to trade and investment. The country has a trade-to-GDP ratio of 160%, according to the Bank, one of the highest levels in the world, and testament to its success as an outward-looking economy. The ratio has nearly doubled over the past fifty years, as Belgium has become a leading beneficiary of globalisation.

That economic internationalisation has paid dividends this year, as the country's recovery from the covid-19 pandemic has been powered in part by exports to Asia and the United States from the industrial sector. Manufacturing grew by 1.3% year-on-year in the first quarter of 2021 thanks to external demand, factors that may help lift GDP growth beyond 4% this year.

Few Belgian manufacturers can match the global reach of Soudal Group, a chemicals company which specialises in sealants, adhesives, and polyurethane foams. With a presence in 140 countries, it has 73 subsidiaries worldwide, and 23 production sites in more than a dozen countries. And the company's founder and chairman, Vic Swerts, who has led the firm from being a one-man business to an international leader, has his sights set on continued global expansion in the coming years. "We are becoming a global company," he says. "Internationalisation has become a key factor in our success. We are aiming to continue our 10% yearly global growth rate,

continuing to grow with our customers."

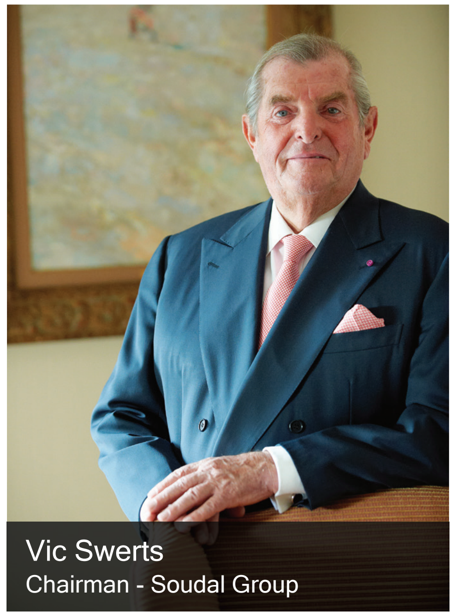
Soudal's growth has gone hand-in-hand with that of its partners, including suppliers and technical collaborators, which have helped it deliver tailored products to its expanding range of customers. New partners will play a key role in the company's ongoing international development, which will target the US and Asia in particular, but include anywhere in the world that opportunities emerge, including in its core markets in Europe, which currently account for 70-80% of sales. "We always work with manufacturers, and are particularly interested in technical partners," says Swerts. "We are looking for companies in industries where we see growth potential, and where we can help strengthen partners' own production. The possibilities are huge and the sky is the limit."

The company's ambition is clear from the fact that it has opened or started work on eight new factories during the covid-19 pandemic, as far afield as Belgium, Russia, and Korea. In November 2020, it acquired Al Muqarram Insulation Material Industry, a UAE-based manufacturer, in its most high-value takeover to date. The company will help Soudal build its presence in the Middle East, as well as East Africa and East Asia, as well as providing

complementary business lines. Over the past ten years, Soudal has made numerous other acquisitions, particularly of distributors.

The company expects turnover to top €1bn ($1.2bn) for the first time this year, driven by rising demand in construction as well as home renovation, which has been boosted by covid-related lockdowns.

These figures have been achieved by an approach that emphasises collaboration with customers and listening to the market in a constant process of product development. This strategy allows Soudal to be faster and more flexible in adapting to clients' needs and changes in the market than many multinationals. A team of 80 chemical engineers and a strong focus on R&D makes this possible. Soudal develops more than 250 R&D products a year, 50% of them new, 50% of them modifications.


Vic Swerts
Chairman - Soudal Group

Its technical strengths have allowed the company to lead the way in sustainability, increasingly designing to facilitate recycling, and developing lower-impact products, as well as materials that can contribute to saving energy, such as insulating foams.

In the 55 years since Swerts bought a small company making polyester repair paste for damaged car parts that became Soudal, he has never lost sight of the essential values that have underpinned success. "We are a family company," he says. "The family drive is very important for us, and we really live the family feeling. We ask customers what they need, and we make it for them. What we do is honest, straightforward and it works."

Swerts sees Soudal's competitive advantages in honesty, science and innovation, and commitment to delivering for customers as grounded in Belgium's national strengths.

"Belgium is very good at smart chemistry - really going to market and translating into applications that have added value. What Belgian companies promise, they deliver. What you see is what you get."

SOUDAL

Vlerick Business School

Innovation and excellence at Belgium's top business school

A small country with limited natural resources, Belgium rose to become one of Europe's top economies by investing in its people, particularly in higher education. The Organization for Economic Cooperation and Development (OECD) reports that the country spends 5.8% of GDP on education, one of the highest shares among OECD countries, while annual expenditure per tertiary student stands at €18,000. Enrollment in higher education rose by 14% between 2017 and 2020 alone to hit 270,680, and the trend is expected to continue as Covid-19 restrictions wind down and students return to the classrooms. The Vlerick Business School is playing its part in building the country's talent base.

Vlerick Business School is a private Belgian institution with campuses in Ghent, Leuven and Brussels. Founded in 1953 by Professor André Vlerick, it is the oldest business and management school in Europe, and serves as the management school of Belgium's two largest universities - Ghent University and KU Leuven. From the very beginning, the school's primary objective was to contribute to Belgian society, as Dean Marion Debruyne explained: "It was founded with the idea that a strong economy requires a strong business school. To attract investment, Belgium needs strong companies, a strong infrastructure, educated people and strong knowledge institutions. As a leading business school, we obviously contribute to strong companies by developing leaders of the future, managers and CEOs. Educating young people ensures there is a very competent, eager, enthusiastic, well-educated workforce available."

For nearly 70 years now the school has built a strong international reputation as a leading independent institution with close ties to both the academic and corporate worlds. It is part of a small group of schools that hold all 3 major international accreditation labels in the world of management education: EQUIS, AMBA and AACSB. It is also ranked number one in the Benelux region for executive education, and 19th in Europe.

The school's 24,000 alumni hail from more than 91 countries, and it offers 85 customized programs for more than 4500 executive participants, as well as MBA and Masters programs serving more than 650 students from 42 countries. Vlerick Business School is attractive to international students


Marion Debruyne
Dean - Vlerick Business School

because of its programme offerings: it has specific expertise in digital transformation, entrepreneurship and innovation, healthcare, energy, and financial services, and benefits not only from close ties with KU Leuven and Ghent University, but strategic alliances with Peking University in China, as well as the Stellenbosch Business School in South Africa.

A forward-thinking pedagogical approach has also served the school well over the years, as Debruyne highlighted: "Vlerick has throughout its history differentiated itself with teaching innovation. Already from the early days, students were doing an in-company project during their masters, guided by a faculty member, way before other business schools were doing this. We have real life cases in our program, deep dive challenges, bootcamps, simulations and business games. There is a lot of attention towards pedagogical innovation, such that the learning experience for every student and participant at Vlerick is super engaging and interactive."

The first business program ever launched at Vlerick Business School was for entrepreneurs. Entrepreneurship remains embedded in its DNA and reflected in its culture. The school's sizeable cohort of executive participants helps it maintain strong ties with the business world, and it has been an early innovator as a result. For example, Vlerick Business School was one of the first in Europe to offer an online MBA in 2018, which helped ease some of the shocks brought on by the Covid-19 pandemic.

Whether online or in person, students undergo a transformational journey that leaves them well-positioned to become the leaders of the future. Debruyne described it as live, learn, leap: live your dream, learn continuously, leap with confidence:

"Our value proposition is about turning knowledge into action. We have always been a business school which was strongly academically embedded, but at the same time also strongly embedded in the business world. Our faculty are world class at being able to bridge theory and practice, the academic world and the world of business. This has allowed us to be successful over the years," she concluded.

VLERICK BUSINESS SCHOOL

SDA Holding - International vehicle distributor grows from Africa to Europe and beyond

As a top-performing but relatively small economy, Belgium has built itself up on the strength of its service economy. The United Nations Conference on Trade and Development reports that service exports nearly doubled between 2005 and 2020 to hit $116.1 billion, driven by growth in the transportation, logistics, and distribution segments. Top Belgian firms have found enormous success expanding beyond the country's borders, as evidenced by the impressive evolution of SDA Holding, a leading distributor of premium brand vehicles and machinery.

Philippe de Moerloose
Founder and Chairman - SDA Holding

The group traces its origins back to 1991, when Belgian entrepreneur Philippe de Moerloose launched a vehicle distribution business serving the African market. The business extended its reach to more than 30 countries across the continent before it was officially founded as SDA in 2008. It set its sights on Europe after that because, as de Moerloose explained, geographic diversification is the key to success:

"We are in three different regions: Africa, Europe, and Great Britain, and it has become clear to us that diversification is very important. With Covid last year for example, Great Britain was hit very hard by that and Brexit, but Africa was going very well. Now Africa is suffering from the second wave of Covid, but Europe is doing much better than last year."

SDA's core industrial activities are centred on the distribution of premium heavy equipment brands. SDA's operating subsidiary, SMT Holding, is the exclusive distributor of brands among which Volvo Construction Equipment and Volvo Trucks, while DEM Group, a second subsidiary, is in charge of other premium brands such as Hitachi, John Deere and Wirtgen. The group employs more than 2000 people across its operations, and expects to record a consolidated turnover of €1 billion this year on the strength of resurgent global demand and post-pandemic recovery.

The group's growth story is remarkable. It has evolved from a local automotive import-export company into a tier one player and distributor of premium heavy equipment with a number of value-added subsidiaries. These business lines concentrate resources in fields where the group already has deep expertise and works to develop world-leading heavy equipment distribution for industrial, transportation, quarries, agricultural and civil engineering clients.

The group was able to expand rapidly in Africa because of its multi-pronged development strategy that focused on organic growth, joint ventures and acquisitions. This same strategy also helped it expand beyond Africa: In 2015, the group acquired Kuiken Groep, the exclusive dealer of Volvo Construction Equipment in Benelux.

It followed up on these successful ventures with the acquisition of Volvo Construction Equipment's exclusive dealership in Great Britain in 2017. Today SDA's subsidiaries distribute around 4000 heavy equipment units on its territories. As de Moerloose explains, this success came about because of its innovative and competitive value proposition:

"We provide a premium service to the client. This is why we're investing a lot in digitalization. Today with SMT we are able to track our machines, which means that with every machine we're selling, we know when we have to make a preventive maintenance check, we can control the fuel and oil consumption and prevent breakdowns. We're extremely proud to be at the forefront of innovation and offer this kind of service to the client; you can go on the website and control your fleet of machines operating anywhere in the world. I think this is the future of this kind of activity," he said.

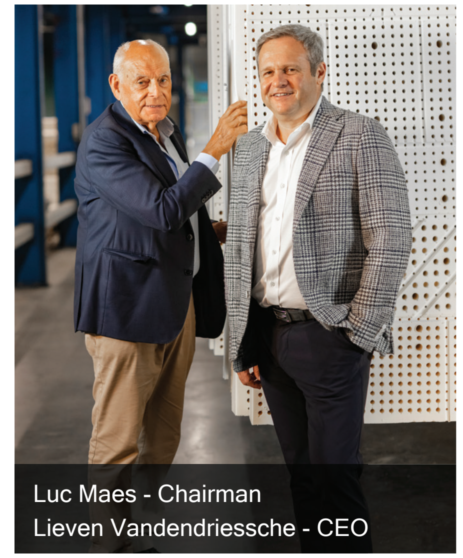
Having already realized considerable success in its core markets, SDA Holding's teams focus on new expansion plans and the group is now looking to attain critical mass by expanding into the world's two largest markets: the US and Asia. As de Moerloose explained, it's the logical next step for his fast-growing business:

"Today the ambition of the group is to try to reduce our exposure to Africa risk and develop the business in more mature markets. We would also be looking for possible acquisitions, and with that in mind, we have decided to enter into the United States, and the step after that will be Asia. The critical mass is there, in the US and Asia. We have worked a lot with China, and our partner Volvo has its own Chinese brand, so why not work in a joint-venture with Volvo and open dealerships in China, for example?"

Content from
The International Investor

Latexco - Reliability and innovation

Belgium is one of the most productive countries in the world, according to a recent report by the Organisation for Economic Cooperation and Development, which noted the country's strong skill pool, high level of digitalisation, and capital intensity. These advantages have supported the development of an impressive manufacturing sector; industrial production growth reached a near-decade high at the end of 2019, just before the covid-19 pandemic hit. Manufacturing is now driving Belgium's economic recovery from the 2020 global recession, expanding at double-digit rates in mid-2021.



Luc Maes - Chairman
Lieven Vandendriessche - CEO

Belgian manufacturing companies' strengths are epitomised by bedding solutions producer Latexco - a knowledge-intensive, family-owned company with a global presence and an emphasis on trust and delivering for its clients. Latexco has become the world's leading manufacturer of latex components for the bedding industry, diversifying into a one-stop-shop for bedding while also offering speciality foam and spring components, and increasingly supplying finished mattresses.

"My father founded this company, and now we are surfing on the new economy to bring our products to consumers," says Latexco owner Luc Maes. "We are a family-owned company with the strengths of an international organisation. Reliability is probably the primary reason people choose us."

Founded in 1955 with two product lines, the company has grown internationally, with a presence across the world, establishing distribution centres and sales offices as far afield as Brazil and Indonesia, and offering a diversifying product range. Europe accounts for 68% of sales, with 24% in the USA, and 8% in Asia.

Latexco has been able to capitalise on the growth of e-commerce through the covid-19 pandemic, which has seen online bedding sales soar as customers have sought extra comfort without making a trip to the shops. The company's clients now sell 45% of their products online, more than double the industry average, and up from 18% previously.

The company reacted rapidly to the covid-19 pandemic, creating a safe environment in its production facilities and shifting many employees to working from home. It also developed alternative supply lines to overcome raw material shortages, and secured extra credit lines as back-ups. As a result, it had minimum business interruption.

Innovation is another reason Latexco is ahead of its competitors; the company invests heavily in developing new products. Recent breakthroughs include moreganic. Moreganic - "much more than organic" - is a completely natural, fair trade latex product, with a focus on biodiversity in the plantations from which the rubber is sourced.

Moreganic is more than just a product - it is a standard for the industry, developed in cooperation with specialists and certified by the Control Union, an international certification body focusing on sustainability, particularly in agriculture. It embodies both Latexco's cutting-edge innovation, and its commitment to ensuring sustainability throughout its supply chain.

Through moreganic, Latexco funds and supports the certification of a network of plantations, offering latex that is not only organic, but based on fair trade and sustainable agro-forestry principles. It thus has two dimensions: ecological, stretching way beyond

Forest Stewardship Council standards; and ethical, ensuring fair compensation for all parties involved and supporting smallholder farmers. Different crops are planted around the rubber trees to improve water retention, soil fertility, and support for biodiversity, while providing other sources of income for those working there. Maes points out that a product taken from rubber plantations is a "winning proposal" in an era of pressure for sustainability, given that the world's rubber trees absorb over 100m tonnes of CO2 annually. Indeed, the company is also committed to including 1m trees in it's agro-forestry model to move towards carbon neutrality.

"We want to do something that creates value for us as a company, but also for the entire ecosystem around us," says Latexco CEO Lieven Vandendriessche. "It's the next level of fair trade model. We now have the leading position in natural latex, a perfect product for the new sustainable world. We produce high-quality and innovative products, developed in an ecologically balanced and sustainable way."

As the world emerges from the pandemic, Latexco aims to accelerate the implementation of its strategy and focus on long-term growth. Key factors will be securing larger market shares while demand is still strong, a focus on digital transformation, expanding production capacity, and of course further innovation.

"We see a great future in the business as the green economy grows," says Maes. "We have the best quality and service , and now we are bringing the next generation natural products to the market.

As a fast-moving, dynamic enterprise, Latexco embodies many of the advantages of Belgian family-owned businesses; and Vandendriessche sees this global company's home market as a source of strength. He highlights competitive advantages including the open economy, where exports are equivalent to 80% of GDP, and the country's position as a gateway to 500m European customers, with 80% of the continent's purchasing power within 500 miles. The presence of international decision-makers of EU and NATO, and top-class human capital (35% of the workforce has at least one higher education qualification) give the country a further edge.

"We have no-nonsense, flexible, highly-skilled, multilingual, entrepreneurial people who adapt easily," Vandendriessche says. "Belgium has the perfect location, a competitive, albeit somewhat complex tax system, and an open economy. This is the gateway to Europe."

latexco
We support your dreams.

Drylock Technologies

The undisputed leader in hygiene innovation

Belgium's well-diversified base of established manufacturers has played a critical role in supporting the economy, and rising export revenues have kept the country on a growth trajectory over the previous decade. This is especially true in the fast-moving consumer goods segment: the World Bank reports that consumer goods exports from Belgium rose by an impressive 15% between 2009 and 2019 to hit $187.9 billion, supported by rising demand for high-quality, private label FMCG. International demand will continue growing, and Drylock Technologies, a leading Belgian hygiene products manufacturer, is capitalizing on new opportunities abroad.

The family's earliest foundations in the hygiene industry date back to 1979, but its modern iteration came about in 2011 when chairman and CEO Bart Van Malderen acquired Russian hygiene product producer HTC. As Van Malderen explained, the company developed a competitive advantage in a cutthroat market by focusing its efforts on innovation and sustainability from the very beginning:

"We were the first company in this business to come up with a product that is higher in performance while also being more ecological. It was a huge shock for the industry. From there, every two years we came up with a new innovation: tube diapers, fluffless diapers, paper packaging, the flash dry - innovating all the time. The emphasis was always on sustainable production and products, helping the customer get more for less."

By 2012 Drylock had expanded significantly the range produced by HTC in Russia, and in the same year, Van Malderen made another bold move by opening its first state-of-the-art factory in Hradek, Czech Republic. The greenfield project comprised of five advanced, efficient production lines, and Van Malderen's calculated risk paid off, with major global retailers and wholesalers quickly added to the client list. Another greenfield factory in Tatarstan followed, and by today the company has invested more than €500 million of capital expenditure, offering a full line of baby, femcare and adult incontinence products, with 3300 people working at its factories across the globe.

Drylock did a number of follow on acquisitions throughout the years, as such it acquired CIP Assorbenti in Milano in the same year, enlarging its product portfolio and increasing production capacity for femcare products, before opening new

Bart Van Malderen
CEO - Drylock Technologies

offices near Lyon and Hamburg to grow its local presence and provide enhanced customer service. Another new office in Madrid followed in 2016, and the company made a breakthrough the following year by entering the US market with the acquisition of Presto Absorbent Products in Wisconsin.

A Brazilian market entry followed in 2018 when Drylock purchased two leading domestic producers, Capricho and Mardam, and two new production sites in Spain and the Czech Republic broke ground in the same year. In 2021 the company adds a fully-automated warehouse to its existing Czech Republic factory, underscoring the critical role innovation has played in supporting growth: within just 10 years, the company's turnover soared to €700 million annually. As Van Malderen explained, acquisitions have undoubtedly helped the company grow its global footprint, but he argued Drylock's success is owing more to investment and innovation:

"Until five or six years ago, we were never able to make a better product than the leading brands. We couldn't get there, but now we do. Yes we've done acquisitions, but we've changed their machines to ours. You go faster, buy some market share, invest in the equipment, then have the advantage of having experienced people. The biggest growth we've seen is with greenfield start-ups."

As he celebrates Drylock's 10-year anniversary, Van Malderen's eyes are fixed firmly on the future. The company recently added a major North American retailer to its client list, and he anticipates demand for the company's high-quality, private label hygiene products will continue to surge in Russia, North and South America, as well as untapped markets in continental Europe. An obsession with innovation has left the company producing some of the most sustainable hygiene products in the world, and Drylock remains agile, adaptable, and reactive as it approaches €1 billion of annual turnover:

"We're a family business. It is important in our DNA to have short communication lines and no politics. We have to be careful to keep the same drive as we grow. We're a small team, and we are agile and quick to react. Combined with the innovation we've undertaken and the investments we've made, it means a very bright future for Drylock," Van Malderen concluded.

drylock TECHNOLOGIES

Content from
The International Investor

JOST

Responsibility, innovation, efficiency, operational excellence!

The growth of e-commerce, greater digitalization, rising incomes, and demand for integrated services are all driving the growth of the global logistics industry, which will expand by 6.5% annually to 2026, according to a recent report by Allied Market Research. The COVID-19 pandemic and related lockdowns have led to a sharp rise in online shopping and a rapid take-up of warehouse space. Leading consultancy McKinsey forecasts that e-commerce alone will grow by $28bn between 2020 and 2025. The company has highlighted several ways in which the most successful companies in the logistics industry are capitalizing on the growth, including prioritizing core business, developing digital platforms to connect with customers and create innovation-led growth, and through M&A as a platform for expansion.

Luxembourg-based JOST, a European major player in the logistics field, is just such a success story. Established in 1958, it has set itself apart from its competition with its European business model, which is driven by a commitment to innovation, quality, and above all, community.

"Our growth-focused strategy and the trust and confidence of the market puts jost in pole position," says JOST director Roland Jost. "We are flexible, we are agile, we analyse opportunities to ensure we can efficiently generate financial substance to build our future. One of our great strengths is our capacity to adapt, and our resilience. We come up with tailor-made, reliable win-win added-value solutions taking account of market present and future needs. We are proud of our operational excellence and the quality of our work, and we are guided by responsibility, innovation, and efficiency."

Offering services in 11 different business sectors, JOST can leverage its 580,000 square metres of warehouse space across strategic locations in Belgium and the Netherlands, storing a broad range of products from industrial goods through food products to e-commerce goods, and properties in a total of ten countries continent-wide. The warehouse network offers connected IT solutions and real-time stock visibility and traceability, and its multimodal setup means that it can offer flexible solutions to match clients' requirements in terms of transport. JOST is also able to deliver reverse logistics services - ever more important in an era of soaring e-commerce returns, recycling, and circular product lifecycles.

A fleet of 1700 trucks and 3500 trailers allows the company to deliver according to client needs, including in its freight forwarding business, a particular area of strength. This segment benefits from the geographical location of JOST's bases, close to the ports of Antwerp, as well as major European airports in cities including Brussels, Amsterdam, Frankfurt, and Paris.

Roland Jost
President and CEO - JOST

JOST's tip trailers and box trailers are specifically designed for air freight and can be tracked-and-traced in real time, as well as the large variety of trailer types, making JOST able to meet a wide range of requests.

The company also puts a strong emphasis on green investments, with its fleet including 500 liquified natural gas (LNG) trucks, and one LNG owned tank station. The LNG station is supplied by JOST's own tanker trailer, which provides more than 2000 fillings per month. Sure, that it will develop in the future with another three LNG stations under construction. All of them will be open to the public. In April 2016, JOST obtained the Lean and Green certification, in complement of the ISO 14.001 certificate. In June 2021, the company announced that 100% of electricity used on its premises in Belgium was from green sources. The same month, JOST completed the installation of solar panels on its trucks to power their batteries, reducing idling fuel consumption by up to 50%, with commensurate impact on the company's CO2 emissions.

JOST is also a partner in biomass cogeneration units with an electrical capacity of 30 MWh.

Not any single doubt to have about JOST GREEN commitment!

JOST's business model and capacity for innovation has secured it a strong asset base and cash-flow generation which make it an ideal partner, and a player in the ongoing consolidation of the European logistics sector. "Our appetite for integrated growth is well known, and we are always looking for opportunities to collaborate," says Roland Jost. "Without collaboration, we wouldn't grow. We aim to mix organic and inorganic growth, focusing on the areas in which we know we are the strongest. We have built our reputation on a wealth of operating experience, and our excellent knowledge of the industry."

On the Trilogiport European hub, JOST will soon open a brand new 75,000 m² warehouse in which it will handle the goods of a major European retail player.

"We are a family-run company, and what we have achieved is thanks to the people who have brought in along the way," says Jost. "The aim is to create a self-sustaining company through the quality of the people in it.

Our brand-new image puts forward who we are, a strong company, with a deep Green mindset, looking straight to the future, based on a steady entrepreneurship, financial health, and the agility of its human assets.

Jost, life in motion!

JOST life in motion

Ziegler - Delivering dedicated customer care

Founded in 1908 and headquartered in Brussels, Ziegler Group is a leading domestic logistics service provider with a global reach. Offering road, air, and sea freight services, as well as inland waterway transport, logistics, customs clearance, and e-commerce, the group has become the best in the business by maintaining the core values of a family business, as CEO Diane Govaerts explained:

"We have more than 150 branches in order to be very local. We can be present across the supply chains while being close to the customers. This way we can produce tailor-made and flexible solutions. We don't focus on volumes like the big four, but on dedicated service for customers. The customer always stays at the center of the organization."

Ziegler's strong focus on dedicated customer service has kept it agile and competitive, and today the group employs more than 3200 people worldwide, cooperating closely with partner companies in more than 80 countries on top of its 154 branches. In addition to its core shipping activities, Ziegler specializes in a broad array of important market niches including cosmetics, chemicals, pharmaceuticals, aerospace (AOG), wine and spirits, and exhibitions, making it the provider of choice for thousands of clients.

Alain Ziegler
President

Diane Govaerts
CEO

Entrepreneurship and outside-the-box-thinking are important company values, and the group has been quick to embrace new ways of doing business in its bid to maintain the highest possible service standards. Ziegler has embraced the global green transition: all of its new buildings are fitted with solar panels, it uses cargo bike deliveries for last-mile distribution, and rainwater tanks are used to recycle water. It has also launched a new campaign called "Ziegler: Now even greener" to further decarbonize its operations by making it mandatory for clients to be able to shrink their carbon footprint.

The group has also launched niche service offerings aimed at providing bespoke service to its valued clients. Its Special Request service, for example, operates 24/7, 365 days a year, with requests taken into account instantly and priority solutions immediately proposed. Clients benefit from guaranteed, protected, and expedited delivery. For Alain Ziegler, group president, the logic of service offerings such as these is obvious:

"With Covid-19, we ramped up our digitalization efforts and worked more intensively and efficiently, which helped us to remain agile. The world is changing, so we have to adapt. We are an old and established company, over a century, but we have the vitality of a start-up," he said.

ZIEGLER®

Aertssen Group - People, Power and Passion to build on

Established in 1964, Belgium's Aertssen Group began as a small company with a single crane. Today Aertssen Group offers a wide range of activities such as earthmoving, demolition and remediation, infrastructure works, hydraulic engineering and recycling. Hoisting activities are carried out by the lifting department and the exceptional transport & logistic branch offers, in addition to the transport of heavy cargo, storage and modification of heavy agricultural and construction equipment. Aertssen Group operates in more than 30 countries with a big vision - long-term sustainability.

Greg Aertssen, CEO, recounted: "Our major achievements started with my father, who had to adapt himself and his business to face the future. Once he had done that, the company's activities expanded and diversified rapidly. We're a family business, but we look at the long-term; we feel it as part of our duty to grow the company and then pass it on to the next generation."

Aertssen Group has grown at a phenomenal pace in the past years, and from 2005 onwards it rapidly expanded internationally in Abu Dhabi and in Qatar. The group has prospered overseas because of a strong focus on forging long-term partnerships in the markets where it operates, and this shows in its financial figures: annual turnover rose to hit nearly €300 million in 2020, against €101 million in 2010 and €61 million in 2005.

In the past decade efforts have also been made to diversify and expand to inland shipping, trading of heavy equipment, real estate development and green energy. A huge network of subsidiary and ancillary companies, as well as partners, was created.

Greg and Yves Aertssen
Co-CEOs - Aertssen Group

As the Aertssen father and son look to the future, they see the green transition as the next big growth avenue. The group has already been active in incorporating sustainability into its operations by using inland shipping, recycling construction waste, and reusing sand during excavation works at construction sites.

Aertssen Group is also very invested in low-emission energy efficient machinery and vehicles, and the storage of solar energy in hydrogen which can be used to power ships, trucks and cars. "The sustainable production of hydrogen from solar energy applied to our own fleet of hydrogen-powered trucks and vessels is our ambition." Greg Aertssen.

New infrastructure to mitigate climate change impact is on the list of priorities, as co-CEO Yves Aertssen highlighted: "Sustainability touches every aspect of our business. To us it is really about offering concrete solutions to environmental challenges, while at the same time minimizing the impact of our operations. Our strong focus on brownfield developments, solar energy and recently also hydrogen and wind energy demonstrate our commitment. Together with partners and governments around the world, we help to control the consequences of rising sea levels by building dykes and shore protections. So we have already turned some of the world's present challenges into opportunities."

Find out more about the group on:

www.aertssen.be

aertssen