

Sustainability Report

2023

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Trusted Since



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- Economic

Alternative Energy Sources
Autonomous Technology

- Environmental

Yield Enhancement Network, Beneficial Use
Responsible Transportation

- Social

Sustainable Cities and Communities
Charitable Giving



President's Statement

At Mennel, we are proud of our heritage and excited about our future. We have been in business for over 135 years because we do things the right way, with integrity. We measure our success by each of the custom products that we produce and through the keen understanding of our customer's unique and individual needs. Anchored by our core values, Mennel is committed to always bringing our best.

In our pursuit of excellence, we recognize it is about the quality of our products and services, our facilities and processes, and ultimately our people. We are not afraid of hard work and we love a good challenge. We are committed to maintaining the most efficient operating facilities possible through continuous improvement principles and planned strategic growth. We continue to innovate and adapt to our changing industry and consumer preferences as demonstrated by our investment in research and development.

We are also a good steward of our environment, an advocate for our family of employees, and a philanthropic member of our local communities. That's why our position on sustainability is centered around maintaining our physical and natural resources, preventing environmental degradation, and promoting meaningful social dimensions.

We hope you will join us in supporting these global Sustainable Development Goals. Together, we can help create a better and more sustainable future for all.



D. FORD MENNEL

Fifth-Generation President
The Mennel Milling Company



Company Overview

Mennel is a progressive company with a rich history. With over 135 years of experience in the flour milling industry, Mennel has grown to include other strategic business ventures with over 30 sites in 6 states. This growth has been guided by the vision and leadership of the Mennel family, now in its fifth generation, as well as the hearts and hands of 800 dedicated employees.

Today, Mennel consists of 6 state-of-the-art flour mills; 13 country grain elevators; 3 trucking divisions; 2 bakery mix facilities; and more.

Our Mission

Is to reliably deliver superior quality, uniformity and service through strategic investments in our products, processes and people.

Our Values

Quality: We accept only the best grain, use top notch ingredients and produce the finest flour and bakery mix products. We have high quality standards because our customers deserve the best.

Uniformity: Our commitment to uniformity means delivering unvarying, reliable and consistently high-quality products each and every day to our customers around the world.

Service: We bring a special level of care and support. It's not only the right thing to do, but it's how we've operated for over 135 years.



www.mennel.com



Mennel Divisions

Milling

Mennel is known for specialty soft wheat and hard wheat milling and currently offers over 600 unique recipes. We create unique recipes to meet the needs of our customers.

Grain

Mennel handles wheat, soybeans and corn that come from more than 870,000 acres of farmland and approximately 2,000 farmers. We buy and sell grain in the market to support our flour production needs.

Bakery Mix and Foodservice

Mennel operates mix plants that can produce almost 3 million pounds or 900 batches per day of finished goods.

Transportation and Logistics

In addition to delivering flour via rail, Mennel has a private fleet of trucks to deliver bulk and packaged products. We maintain our own fleet which include food-grade wash facilities.

Corporate +

Mennel provides operational resources as well as maintenance services for many of the company's facilities.



Mennel
Corporate
Headquarters

□ Grain
■ Milling
■ Bakery Mix



Sustainability Statement

At Mennel Milling we believe we have the responsibility to be stewards of this great land in partnership with the producers who grow wheat and our customers who manufacture a finished product delivered to the world's doorstep. We recognize that producing a bushel of wheat requires the right conditions of soil health, quality air, proper nutrients and protection from pests and severe weather. The land in which we harvest is all that we have, so ensuring that it is the healthiest it can be is of paramount importance to The Mennel Milling Company.

We support the United Nations Global Compact Principles & Sustainable Development Goals (SDG) and have used this as a guiding light for our Sustainable journey. At present, we have focused our efforts on two of these SDG goals – Zero Hunger and Life on Land. This is with the understanding that much of our efforts may influence the other goals in a positive way.

Soil is one of the most underestimated mediums on the planet. Not only does it provide the foundation for our homes and factories, but it filters our water, feeds us, clothes us, and gives us energy for biofuels. Soil also helps us fight environmental hazards by naturally sequestering carbon and building resilience to climate-related events. There are many things that can erode soil health – poorly managed practices, deforestation, urbanization, and pollution. The good news is soil is forgiving. It can regenerate and return to a healthy state, but it takes time and preservation practices to accomplish.

Mennel is making a commitment to global soil health. We will partner with industry leaders to share and promote better soil management practices so that the producers within our footprint can be informed and make long-lasting changes to their greatest resource – their soil. We will take guidance from the Principles for Sustainable Soil Management (as part of UN Global Compact). We also recognize that soil and water must be managed in tandem so we will be encouraging the proper management of water availability and quality through practices such as buffers and riparian margins.

Sustainability Pillars

We have divided our efforts across three pillars
-- Economic, Environmental, and Social --
so we can more clearly make strategic choices,
monitor progress, and celebrate successes.

ECONOMIC

We strive to deliver improved value and advanced food security
along the entire supply chain in which we operate.

ENVIRONMENTAL

We not only want to be good stewards of the land, air, and water
but we want to be change agents on improving all three elements
by encouraging positive sustainable agriculture practices.

SOCIAL

We invest in our employees, producers, customers, and
communities to ensure their wellbeing and promote prosperity.

Mennel



Economic

Solar Array | Mennel Milling Mt. Olive, Illinois

Built in 2017 as a 25 kw unit, we expanded the array footprint by 10 kw in 2020. The system supplies power to the mill's back pit while a significant portion is rerouted to the grid.

We are constantly mining for energy savings opportunities, including LED and motion-activated lighting, variable speed drives, and power correction capacitors.

We partner with local energy suppliers' energy curtailment programs to ensure demand management and provide grid reliability to the communities we operate.

We reward employees for delivering on their annual Mennel Improvement Plan goals, which include targets such as reduced manufacturing costs and on-time preventative maintenance.

Environmental



Mennel is proud to participate in the Great Lakes Yield Enhancement Network (YEN). YEN is a ground-breaking collaboration that connects farms striving to improve crop returns with experts to help close the gap between potential yield and actual yield. Farmers participating in the Great Lakes YEN collect soil, tissue, and grain samples - specifically winter wheat.

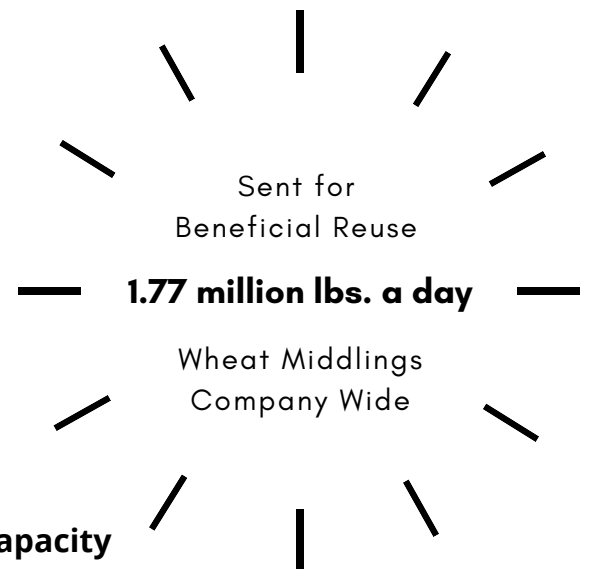
"For the second year, Mennel is partnering with this grassroots program to provide insights and education to local producers so that they can create healthy soil and the most efficient yielding crop," said Dr. Scott Osborne.



We convert more than 99% of unusable or off-spec product.

For example:

- Dry mix materials are sent to a third-party company and converted into animal bi-products.
- Wheat middlings are shipped to area feed mills and repurposed into animal feed.



We find ways to maximize trailer capacity within our transportation and logistics division.

For example:

- Shed weight on tractors by utilizing super singles tires and disc brakes to increase load size and improve (fuel and fleet) efficiency.
- We support Virginia Hard Red Winter wheat program as a way to reduce dependency on rail delivery from the central plains region.

Leave a Legacy

The Mennel Milling Company prides itself on being a charitable member of the communities we serve. In 2022, Mennel offered a new program called Leave a Legacy in light of the National Giving Tuesday movement. In the program's inaugural year, more than 50 employees helped direct a portion of Mennel's charitable giving donations to an approved charitable organization of their choice. Mennel's "Our Legacy. Our Future" motto, spans beyond our food plants, grain elevators, trucks, and more. Together, our team is truly making a lasting impact on the communities in which we live, work, and play.

"My dad was a sheriff deputy in Wyandot county for 20+ years. He served as the vice president of Hannah's House board. It is one of the most proud things he has been involved in. Hannah's House gives kids a safe place to have parent involvement and it's 100% about the kids. I think it's a wonderful thing in a little community and you really know where your money is going when you donate to such a special cause. It will always have a place in my heart." Kaylee Hoy, C&O Grain

Social

We are proud of our long-standing focus on building strong community partnerships as well as stable jobs and career advancement opportunities for our team members. Examples include:

- We educate our employees to contribute to the food chain with integrity according to our Employee Handbook, which includes ethical business conduct, workplace discrimination, and conflict resolution process.
- We provide living wage total compensation and encourage work-life balance for our employees. We also offer an employee assistance program, higher education tuition assistance, and financial planning services.
- We are humble servants of our local communities through charitable giving, volunteer hours, and participation in outreach and educational initiatives.
- We participate in Sedex Members Ethical Trade Audits (SMETA) to demonstrate our commitment to labor, environment, health & safety, and business ethics.
- We selectively partner with businesses who work within our Vendor Code of Conduct.



Trusted since 1886

The Mennel Milling Company
Headquartered in Fostoria, Ohio



www.mennel.com

"We recognize the importance of being a good steward of our great resources – the land, air and water – which are fundamental to producing a healthy, abundant bushel of wheat, corn and soybean. We hope this report served as a window into what we see as important elements in creating a better, more sustainable future for all."

*Dr. Scott Osborne
Vice President of Innovation
+ Sustainability Chair*

Mennel