

Appendix 2:

Stakeholder engagement in 2021

Stakeholder engagement

We consult our employees, dairy farmers, suppliers, and customers to receive input for our sustainability agenda and garner support for the measures we take. Moreover, the material topics and sustainability themes largely determine which civil society organisations we will consult. In 2021, we consulted various stakeholders in the supply chain, from dairy farmers to customers, about our sustainability targets. The results are listed below in the stakeholder table.

With regard to the health aspects of dairy, we inform our customers about 'Milk and Health' via the knowledge page on our website: <https://www.vreugdenhildairyfoods.com/knowledge/>. In addition, we provide information about dairy and dairy ingredients in our brochures and during, for example, trade fairs and customer visits.

Stakeholder group	Material topics discussed	Conclusions and follow-up for 2022	MT involvement
Staff	<p>All sustainability themes have been communicated using various channels, including strategy meetings, the intranet, and narrowcasting. In 2021, like in 2020, COVID-19 and the associated safety and quality guarantees continued to be an important focus point, along with our employees' health.</p> <p>Employees can raise abuses with an internal and external confidential advisor. They can also use the SpeakUp functionality on the website to report, anonymously if preferred, things that could be regarded as undesirable or potentially suspicious.</p> <p>A number of our employees were involved in setting the strategic priorities for the new sustainability agenda.</p>	<p>Vreugdenhil will do everything in its power to offer all staff a safe workplace. For each lost time accident, the root cause is identified, and measures are taken and communicated to all sites.</p> <p>In 2022, we intend to organise themed brainstorming sessions for employees to further raise awareness of sustainability issues.</p>	<p>All MT members were involved in setting the new sustainability ambition and targets.</p>

Dairy farmers	<p>In the sounding board groups, dairy farmer meetings and one-on-one talks by our district advisers, we discussed developments within Vreugdenhil and the sustainability programme. Further regional meetings were held online in 2021. In addition, there is continuous contact between Vreugdenhil and the dairy farmers. The active and open relationship that we have with our dairy farmers allows them to raise any problems within the sector.</p> <p>With a number of dairy farmers, we launched a low carbon farming pilot, which involves them attending working group meetings.</p> <p>In the 'Sustainable Dairy Chain' initiative, we are working together with dairy farmers on things such as soil management and climate-neutral production.</p>	<p>These activities are also scheduled for 2022, and will return to being in-person activities when possible.</p> <p>Our good relationship with the dairy farmers is and remains of great importance.</p>	<p>The Milk Supply & Communication Director from our MT is involved in these topics. He has regular contact with the dairy farmers.</p> <p>In addition, our CEO is also in regular contact with our dairy farmers.</p>
Suppliers	<p>Both with suppliers and with customers, we engage on things such as making packaging materials sustainable. The primary intention here is to tie in with the approach adopted by our key accounts. Moreover, regular consultations take place to ensure that the logistics processes run as efficiently as possible.</p> <p>For the procurement of sustainable palm oil and soy lecithin, we worked closely with a number of major suppliers.</p> <p>Furthermore, discussions were held about climate-neutral production with (potential) suppliers of energy, installations, green certificates, advice and energy-saving / sustainable techniques (for example, solar panels).</p>	<p>In our supplier engagements, sustainability and collaboration in various areas will continue to feature prominently.</p>	<p>Our QA Director from the MT oversees the monitoring of our suppliers' sustainability performance.</p>
Customers	<p>We engage with our customers on our sustainability targets, as well as on theirs. Last year, there was specific focus on sustainable palm oil, organic milk powder, packaging, milk from cows that graze outdoors, and climate measures.</p> <p>The Dairy Sustainability Framework (DSF) and SAI platform are key starting points for our customers to make progress in the sector. Vreugdenhil is a member of the GHG working group and involved in the development of various tools to gain insight into things such as the carbon footprint. We also developed an online platform to collect GHG data.</p>	<p>In 2022, we will first flesh out the Dairy Sustainability Framework and continue our participation in the working group. Together with our customers, we want to scale up collaboration in the domain of product development.</p> <p>In 2022, we will run a customer survey that will also look at sustainability to get a better idea of our customers' needs. In addition, we will, of course, continue to track developments in the market.</p>	<p>Our Commercial Director is responsible for customer contacts and putting sustainability targets on the agenda.</p>

Civil society organisations	<p>With civil society organisations, we discuss various subjects, ranging from sustainable dairy farming (outdoor grazing, climate, nitrogen, phosphor, biodiversity, soil management), climate measures, clean drinking water projects, and other charities.</p> <p>In 2021, we further strengthened our partnership with MVO Nederland, the network for sustainable companies, by joining the Major Companies Network and the Agrifood Network. These networks also address various sustainability topics.</p>	<p>In 2022, these topics will continue to be important and we will maintain talks and be active members of the various networks.</p>	
Trade organisations	<p>Prominent parties are NZO, the Sustainable Dairy Chain (DZK) and ZuivelNL (of which DZK is part). There have been talks about sustainable dairy farming, climate measures, and packaging. In 2021, we took part in NZO's energy and environment working group.</p> <p>Vreugdenhil has joined FNLI's Sustainability Committee and a working group set up by VNO-NCW (Confederation of Netherlands Industry and Employers) that will address a range of sustainability topics.</p>	<p>Through the above networks and organisations, Vreugdenhil keeps abreast of all developments that are of great importance to us in order to realise our ambitions.</p> <p>It also helps us as a sector, possibly together with the food industry (FNLI), to properly represent our interests at a political level.</p>	<p>At MT level, the CEO and the COO, as well as the Quality Director, are taking part in several steering and working groups set up by the mentioned organisations.</p>
Public authorities	<p>We engage with the local authority, provincial authority, and companies in Barneveld, Gorinchem, Nijkerk and Scharsterbrug to look for alternative green energy sources (solar, wind, biomass, residual heat flows) and provide input to local Regional Energy Strategies (RES).</p>	<p>By working together with companies and public authorities, we can all achieve our sustainability goals. In 2022, we will open a new site in Putten, where we will also seek collaboration with other companies and public authorities.</p>	
Other	<p>Together with occupational health and safety services, we pay attention to employee health and engagement. Together with external advisers, we are working on, for example, improving safety, certification and making packaging more sustainable.</p> <p>In 2021, we made preparations for the ISO45001 audit in Barneveld. Nijkerk and Scharsterbrug have already been certified.</p>	<p>In 2022, we will further expand the training platform and the first ISO45001 audit will be conducted in Barneveld. Preparations are for this are underway in Gorinchem.</p>	

Memberships and initiatives

We are a member of various industry associations and support a wide range of domestic and international initiatives such as the following:

- Dairy Sustainability Framework (DSF)
- Sustainable Dairy Supply Chain (DZK)
- EcoVadis
- Eucolait
- European Dairy Association (EDA)
- Dutch Food Industry Federation [Federatie Nederlandse Levensmiddelen Industrie (FNLI)]
- GemZu (Dutch dairy industry association)
- IFCN Dairy Research Center
- International Dairy Federation (IDF)
- Made Blue
- MVO Netherlands (CSR network)
- Dutch Dairy Association (NZO)
- Roundtable on Sustainable Palm Oil (RSPO)
- Sustainable Agriculture Initiative (SAI) Platform - Working Group & Sustainable Dairy Partnership (SDP)
- SEDEX (Platform for ethical commercial chains)
- Topsector Agri&Food
- Association of Dutch Baby Food and Dietary Foodstuff Manufacturers [Vereniging van Nederlandse Fabrikanten van Kinder- en Dieetvoedingsmiddelen (VNFKD)]
- VNO-NCW (Confederation of Netherlands Industry and Employers)
- ZuivelNL (supply chain organisation of the dairy sector)