

Sustainability management

In 2016, the management team (MT) formulated the strategy for the next five years, from 2017 to 2022. Our goal is to reach more people with all the goodness that milk has to offer. Milk nutrition in everyone's daily diet! Strategy spearheads are: profitable value chain, great place to work and climate neutral. Based on the strategy, 19 sustainability goals have been formulated for 2018. Our Sustainability Officer coordinates achievement of the sustainability goals. Responsibility for achieving our sustainability goals lies with the members of the management team (MT). Progress in terms of these goals is not linked to any remuneration policy, as we have no variable remuneration for the management. The goals will be periodically discussed in MT meetings and are part of the reporting structure for the other corporate objectives. At least once a year, the sustainability goals are reviewed and tightened up as an integral part of corporate policy, partly on the basis of the results of interviews with stakeholders.

Vreugdenhil adheres to GRI guidelines

Vreugdenhil has drawn up this annual report and selects and collects data in line with the standards of the Global Reporting Initiative (GRI). In this report, Vreugdenhil deals chiefly with the topics identified as material and with information it wishes to communicate to its stakeholders. The scope of the report covers the activities taking place in the Netherlands. This is where the focus of operational activities lies and where Vreugdenhil is in possession of measurable results. The GRI Standard is used for determining, defining and delimiting the material topics. In 2017 our goal in relation to complaints changed: we aim to have zero product quality complaints. There were no acquisitions or divestments in 2017. Vreugdenhil will also be publishing financial statements in the spring of 2018. Finally, on the download page, you will find the GRI table, a stakeholder document, a sustainability summary including the value chain and the glossary, which complete the reporting for 2017.

External audit of sustainability performance

Besides stakeholders, we also have independent parties assess our sustainability performance:

- Working conditions, the environment and business practices: from 2016, our production locations in Gorinchem and Scharsterbrug are SGS-certified for SMETA pillar 4. SMETA is based on existing standards such as the internationally recognised ETI code of conduct.
- Food safety: our three production sites are certified by Lloyds in accordance with the internationally recognised FSSC22000 food safety standard.
- Transparency in terms of sustainability: the Dutch government ranks the transparency of companies' social reporting by means of the Transparency Benchmark. In the latest ranking (for 2017) we rose from 96th to 80th place of the 500 largest companies in the Netherlands (and from 10th to 7th place of the 45 food companies).
- Sustainable dairy farming: The outdoor grazing and sustainable indoor livestock elements of our Sustainability Programme are monitored by Q-lip. Freedom from animal diseases IBR and BVD is checked by the Animal Health Services, lifespan is checked by the cattle improvement cooperative CRV.

This report itself is not verified externally.