

Sustainability management 2019

Our five-year strategy Marathon 2022 for the period from 2017 to 2022 is designed to reach more people with all the benefits of milk. Milk nutrition in everyone's daily diet! The strategy focuses on: profitable value chain, great place to work and climate-neutral. On this basis, 19 sustainability targets have been formulated (see Appendix 3).

Guarantee

Our Sustainability Officer coordinates the achievement of the sustainability goals. Responsibility for achieving our sustainability goals lies with the members of the management team (MT). Progress in achieving these goals is not linked to any remuneration policy. The goals are periodically discussed in MT meetings and are part of the reporting structure for the other company goals. At least once a year, the sustainability goals are reviewed and tightened as an integral part of corporate policy, partly on the basis of the results of talks with stakeholders.

Vreugdenhil follows GRI guidelines

Vreugdenhil has drawn up this annual report and selects and collects data in accordance with the standards of the Global Reporting Initiative (GRI). This report is in compliance with the GRI Standards core level. In this report, Vreugdenhil chiefly addresses the topics identified as material plus information that it wishes to communicate to its stakeholders. The scope of the report spans the activities taking place in the Netherlands, homing in on operational activities for which Vreugdenhil has measurable results at its disposal. The GRI Standard is used for determining, defining and delineating the material topics. Vreugdenhil will also publish financial statements in the autumn of 2020. Finally, there are a number of appendices on the download page that complete the 2019 report.

External audit of sustainability performance

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

- Working conditions, the environment and business practices: from 2016, our production sites in Gorinchem and Scharsterbrug are SGS-certified for SMETA pillar 4. SMETA is based on existing standards such as the internationally recognised code of conduct of the Ethical Trading Initiative (ETI). In 2019, we were re-audited. On that basis, improvements have been made and we have been recertified until 2022.
- 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. The ranking is biannual; in the latest ranking (in 2019, for 2018) we rose from 80th to 52nd place of the 500 largest companies in the Netherlands (and 8th of the 25 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 Service, lifespan is checked by cattle improvement cooperative CRV.

The information for this annual report is provided by internal experts, and is checked by the Sustainability Officer.