

# Results, targets and value creation 2019

	Target 2019	Result 2019	Result 2018	Target 2020	Target 2022
<b>Safe products</b>	< 0.25% product quality complaints per 1,000 tonnes of product.	0.31 % product quality complaints per 1,000 tonnes of product.	0.25% product quality complaints per 1,000 tonnes of product.	< 0.25% product quality complaints per 1,000 tonnes of product.	< 0.20% product quality complaints per 1,000 tonnes of product.
<b>No customer complaints</b>	See above.	See above.	See above.	See above.	See above.
<b>Reducing energy consumption during production</b>	24.5% less energy use per tonne of product in comparison with 2005.	21.3% less energy use per tonne of product in comparison with 2005.	19.5% less energy use per tonne of product in comparison with 2005.	30% less energy use per tonne of product in comparison with 2005.	34% less energy use per tonne of product in comparison with 2005.
<b>Transparency with regard to sustainability goals and results</b>	In the top 10 of the Transparency Benchmark in the 'Food and Drink' sector'.	8th place in the 'Food and Drink' sector.	No ranking was made in 2018.	There will be no ranking in 2020.	Rise in the number of points or at least retain ranking in the sector.
<b>Reducing the environmental impact of packaging</b>	Launch project with suppliers to make one of our packaging products more sustainable.	Talks are held within the chain.	Made preparations to launch a project with customers and/or suppliers in 2019.	Launched a project for sustainable packaging with one of our customers and/or suppliers.	Launched 3 projects for more sustainable packaging.
<b>Reducing the greenhouse gas emissions of dairy farming</b>	<ul style="list-style-type: none"> <li>• 10% of the dairy farmers generate &gt;50% of their electricity consumption sustainably.</li> <li>• 70% use a maximum of 70 kWh per 1,000 kg of milk.</li> </ul>	<ul style="list-style-type: none"> <li>• 15.1% of the dairy farmers generate &gt;50% of their electricity consumption sustainably.</li> <li>• 71.6% use a maximum of 70 kWh per 1000 kg of milk.</li> </ul>	<ul style="list-style-type: none"> <li>• 9.2% of the dairy farmers generate &gt;50% of their electricity consumption sustainably.</li> <li>• 69% use a maximum of 70 kWh per 1000 kg of milk.</li> </ul>	<ul style="list-style-type: none"> <li>• 10% of the dairy farmers generate &gt;50% of their electricity consumption sustainably.</li> <li>• 70% use a maximum of 70 kWh per 1,000 kg of milk.</li> </ul>	Sector targets for 2020: <ul style="list-style-type: none"> <li>• 20% reduction of greenhouse gases in comparison with 1990 and climate-neutral growth.</li> <li>• 16% production of renewable energy.</li> <li>• Improvement in energy efficiency by 2% per year in 2005-2020 (see <a href="http://www.duurzamezuivelketen.nl">www.duurzamezuivelketen.nl</a>).</li> </ul>
<b>100% renewable energy for production</b>	14.9% of energy consumption is renewable + carry out plan for climate-neutral production by 2029.	14.6% of energy consumption is renewable climate-neutral plan in 2029.	14.6 % of the energy consumption is renewable + plan for climate-neutral production by 2029 drafted.	14.9% of energy consumption is renewable + carry out plan for climate-neutral production by 2029.	18% of energy consumption is renewable.

## Value creation 2019

We have been producing milk powder in the Netherlands for 66 years, ensuring that dairy can be part of everyone's daily diet. Based on our mission to create shared value we work as an organisation with our stakeholders on three core values: profitable value chain, great place to work and climate neutral. We want to use the (scarce) resources and raw materials we need properly and efficiently, with the least possible impact on people and the environment. In this way we aim to create a positive long-term effect. The model below shows the relationship between our (CSR) efforts and the degree to which they create public value and contribute to the UN Sustainable Development Goals.

# INPUT

## FINANCIAL CAPITAL

Financial resources (shareholders' equity, debts and investments) of banks and investors

## COLLABORATION AND DIALOGUE

Collaborations and annual discussions with NGOs, civil society parties, science, government, suppliers and others

## STAFF AND INTELLECTUAL CAPITAL

- Knowledge and competences of our employees
- 459 employees
- Training and development

## NATURAL CAPITAL

- 1.35 billion kilos of milk, most of which comes from our 820 Dutch dairy farmers
- 100% RSPO-certified palm oil from Indonesia, Malaysia, Colombia and Costa Rica
- 100% ProTerra-certified soy lecithin from Brazil
- Other raw materials and packaging materials
- 100% green electricity
- Gas and water

## BUSINESS MODEL

### Mission

Creating Shared Value for our suppliers, our business, our customers and their environment

### Vision

Milk nutrition in everyone's daily diet

### 3 values

- Profitable value chain
- Great place to work
- Climate neutral

### Core activities

Production of milk powders from fresh cow's milk as an ingredient for infant nutrition, for consumers to a lovely glass of milk, and as an ingredient for foods like chocolate, icecream, dairy products, cake and culinary applications.

# OUTPUT

## FINANCIAL CAPITAL

- €768 million turnover
- Customers in 133 countries
- Consumer products
- Ingredients for the food industry
- Ingredients for infant nutrition

## COLLABORATION AND DIALOGUE

- Knowledge exchange
- Product innovations
- 4,000 Ethiopians will have clean drinking water from the drinking well in Ethiopia for at least 20 years
- Support of projects in Congo and Liberia

## STAFF AND INTELLECTUAL CAPITAL

- Knowledge development
- Healthy and vital staff
- 5.6% sickness absence
- 14 accidents

## NATURAL CAPITAL

- 90.2% of dairy farmers participate in our sustainability programme
- 88.7% outdoor grazing
- 21.3% less energy consumption per tonne of product in comparison with 2005
- 20.4% lower CO2 emissions from milk transport in comparison with 2013

## EMISSIONS AND WASTE

- CO2 emissions
- Wastewater
- Industrial and packaging waste
- Residual heat

# IMPACT

## Profitable Value Chain



With our (enriched) milk powders we make safe and nutritious food available to all. In addition, the Milky Gari project in Liberia ensures that children get a nutritious breakfast so they can go to school.



Long-term relationships and partnerships focusing on sustainable and healthy innovations, knowledge sharing and chain transparency.



Through financial contributions to a well in Ethiopia we support universal and equal access to safe and affordable drinking water.



By sponsoring the project in Congo that improves the position of vulnerable women.



Through sponsoring of the project in Colombia that offers education to vulnerable families.

## Great Place to Work



We stimulate employment, offer a safe and healthy working environment and contribute to the Dutch economy.

## Climate Neutral



We contribute to the preservation of natural resources by purchasing responsible raw materials and pursue efficient production and transport so as to use as little energy as possible.



Protecting agrarian ecosystems by means of financial rewards to dairy farmers participating in the sustainability programme. We contribute to sustainable forest management by purchasing certified palm oil and soy.



It is our ambition to produce in a totally climate-neutral way in 2029, for which we will aim for a greater share of renewable energy and energy efficiency.