



# Growing sustainably together

CSR report





## PREFACE

This is our second CSR report, looking back on our activities relating to Corporate Social Responsibility (CSR) in 2013 and 2014. We are reporting our progress and provide an outlook on our CSR ambitions for the next few years. Our policy is based on five cornerstones: care for young animals, quality and food safety, efficient production and logistics, connecting the chain and sustainable use of raw materials.

We are looking back on two years in which sustainability played a key role in the organisation. For Denkavit, reliability and transparency are two key values in our CSR policy. These values serve as a basis for our partnerships. We are committed to realising an impact both in the chain and with our customers.

As an innovative manufacturer of high-end animal feed and veal, Denkavit aims to contribute to the success of our partners and customers. The care for young animals is therefore our main focus. A major development related to this is the new plant in France that was commissioned in 2014. This new plant enabled us to produce the Avance, a high-end milk substitute pellet, in France. The Avance provides a positive contribution to the welfare of veal calves, leading to improved technical results.

Denkavit aims for sustainable use of raw materials, and is always looking for alternative sources. We aim to limit the impact on the environment and our direct surroundings. This was one of the reasons for Denkavit to decide to acquire the feed-related activities of Vreugdenhil Dairy Foods, V-milk, as of 1st January 2014. The acquisition was in line with our ambition to further expand our unique market position and make our use of raw materials even more sustainably without any concessions to the quality of our products.

In the previous report, we defined an ambition and various spearheads for each cornerstone of our CSR policy. We expect that we will increasingly focus on a closing nutrient cycles by making our by-products more valuable. Together with our stakeholders and relations, we are certainly committed to making this happen in the future. After all: 'Sustainable innovation is something you do together!' If you have any questions based on this report, please feel free to contact us on [communication@denkavit.nl](mailto:communication@denkavit.nl).

**Erik Buys**, Managing Director Denkavit



## About Denkafeed

Denkafeed is synonymous for trusted quality in feed for young animals - and has been for many years. We started developing and producing calf milk in the 1950s. Since the early days, we developed into a worldwide, leading producer of specialist feeds for young animals (calves, piglets, kids and lambs), also based on continuous and intensive research.

Extensive knowledge of animal feed materials and animals in their first phase of life is the basis for our specialist feeds for young animals. Denkafeed is committed to quality and safety. The key conditions for good nutrition for young animals are high-end raw materials, consistent quality and traceable origin. Young animals set the highest requirements to the food they receive, and are sensitive to deviations in the quality level.

Denkafeed works with regular suppliers in order to continuously assure the quality of the raw materials. We also sample and analyse each batch of raw materials thoroughly upon arrival. This assures our customers that Denkafeed animal feeds contain only the right ingredients. Denkafeed produces specialist feed for young animals and is also active in the veal calves sector. Within our 'veal calf integration', we are closely cooperating with veal farmers and local specialist calf slaughterhouses.

Under the name Denkafeed Ingredients, Denkafeed represents key producers of high-end specialist raw materials and additives in various European markets as agent or distributor.

### International family business

Denkafeed Group is a family business developed from a trading company established in 1929. In the meantime, Denkafeed has developed into an international and leading player in feed for young animals, with branches in the Netherlands, France, Germany and Italy. In addition to the European market, we also operate in various countries worldwide. In the past few years, we exported our products to over 50 countries in Asia, Europe, South America, South Africa, Oceania, Central and North America.

### Denkafeed Product Groups

**Denkamilk:** A carefully selected range of milk products and health products for rearing calves, kids and lambs.





**Denkaveal:** Unique concepts for calf milk replacers and concentrates for veal calves.

**Denkapig:** A wide range of piglet feed with optimal consideration for the needs of the piglets from birth to about 10 weeks old.

**Denkafeed Ingredients:** A wide range of high-end specialist raw materials and animal feed additives for the compound feed industry.

**Denkamix:** Various product to support animal health, among others that of piglets, calves, kids and lambs.

## Facts and Figures

Number of employees		Quantity of products/ services supplied		Financials	
	<b>Number of workers</b> 428 (2013) 439 (2014)		<b>Feed for young animals</b> 343,000 tonnes (2013) 420,000 tonnes (2014)		<b>Total equity</b> 58% (2013) 68% (2014)
	<b>Number of veal farmers</b> 848 (2013) 843 (2014)		<b>Number of veal calves</b> 470,000 (2013) 470,000 (2014)		<b>Total assets</b> 253 million (2013) 265 million (2014)

## Partners and memberships

-  **Care for young animals**  
Wageningen UR, KNMvD, RDA, GD - Deventer, Assured Veterinarian Foundation, SKV, Berlin University
-  **Quality and food safety**  
NVWA, Lloyds, DUCARES, GMP+, A-Futter
-  **Efficient production and logistics**  
EVO, FENEDEX
-  **Connecting the chain**  
Raw material suppliers, the dairy industry, farmers, veterinarians, compound feed manufacturers, government (authorities), transporters, abattoirs and other stakeholders.
-  **Sustainable use of raw materials**  
Nevedi, FEFAC, BEMEFA, SDVF, SBK, LTO, DVT, Ministry of Economic Affairs, Feed4Foodure, Food Valley, Assalzo, DVT, Bundesverband der Kälbermäster EV, Arbeitgeberverband NRW, BVK

## Locations



AS  
A PRODUCER  
OF SPECIALIST  
FEED FOR  
YOUNG ANIMALS,  
CARING FOR  
YOUNG ANIMALS  
IS THE CENTRAL  
THEME IN OUR  
CSR POLICY

## CSR and Denkavit

### Growing is something you do together!

As an innovative producer of high-end animal feed, we want to contribute to the success of our customers and chain partners. The care for young animals has our main focus. Together with our suppliers, customers and other partners, we aim for sustainable use of feed materials of high, consistent quality and efficient production and logistics. We are committed to giving our employees space for maximum development.

Together we aim to make a positive contribution to animal health, animal welfare, the environment and food safety. Due to our crucial position in the food chain, we feel it is our responsibility to treat these aspects internally with due care and transparency. Our approach is a proven and solid basis for a sustainable partnership with customers and partners. Growing is something you do together!

### Stakeholders

Denkavit is committed to collaboration and reinforcing relations with the various stakeholders. This is why we continually connect with our suppliers, veterinarians, the dairy industry, livestock farmers, research institutions and umbrella organisations such as Nevedi through different platforms and channels. For example, we organise symposiums, knowledge exchange evenings and company tours. We also enter into various partnerships regarding relevant (CSR) subjects such as animal welfare. Such formal and informal meetings serve as a basis for selecting the sustainability themes within our sustainability policy.

### CSR policy

Denkavit's policy relating to Corporate Social Responsibility consists of five cornerstones. These five cornerstones are the core activities of our organisation. As a producer of specialist feed for young animals, caring for young animals is a central theme in the CSR policy. Quality and food safety are key issues in this context. Within the organisation, innovative and sustainable solutions regarding use of raw materials and efficient production and logistics are also main focal point. We cooperate with various stakeholders and partners in this context. The themes and spearheads of our CSR policy are assessed in our stakeholder meetings and industry platforms.

### Assurance and scope of report

Denkavit's CSR report is published every other year and concerns the Denkavit branches in the Netherlands, France, Germany and Italy. This report pertains to the years 2013-2014 and is Denkavit's second CSR report. The first report was published in 2014. This report is structured in accordance with the guidelines of the Global Reporting Initiative (GRI). The GRI guidelines apply as a worldwide standard for sustainability reports, enabling comparison of the performance of different organisations. This CSR report was prepared in accordance with the latest version of the guidelines: the GRI G4.

Together with the members of the management team, the Executive Board is responsible for the implementation and progress of the CSR policy within the organisation. The report is intended for existing and potential buyers and customers, employees, suppliers, stakeholders, chain partners and other interested parties. Please find the GRI table on our website at: [www.denkavit.com](http://www.denkavit.com). If you have any questions about this CSR report, please send an e-mail to [communication@denkavit.nl](mailto:communication@denkavit.nl).

## Denkavit's five sustainability cornerstones

Our sustainability policy consists of five cornerstones. These cornerstones indicate the issues where Denkavit can make a difference. For each cornerstone we determined new ambitions that we are actively working on.



### Care for young animals

The care for young animals is a central CSR theme for Denkavit. In our opinion, intensive knowledge exchange and collaboration are essential to optimal animal health. Thanks to good collaboration between livestock farmers, veterinarians and our specialists, we contribute to optimising animal health and we also expect to contribute to further reducing the use of antibiotics in livestock farming.



### Quality and food safety

Denkavit is committed to quality and food safety. Young animals are more sensitive than older animals and need animal feed of a consistent quality. This is why we perform extensive inspections on all incoming raw materials. We apply the latest and highest standards to guarantee the safety of our animal feed and veal.



### Efficient production and logistics

Denkavit aims to optimise the efficiency of its production process and develop smart logistics solutions. This results in lower energy consumption and cost savings. We achieve this in collaboration with our suppliers and logistics providers.



### Connecting the chain

We are convinced that collaboration is a key success factor. This is why we have long-term relations with our suppliers and customers. Additionally, we organise various symposiums to exchange knowledge and we are involved in various sector platforms. This enables us to interconnect people within our chain, encouraging knowledge exchange.



### Sustainable use of raw materials

The use of sustainable raw materials is important to Denkavit and to sustainable food production. This is why we continually research the use of alternative raw materials and alternative protein sources. One example of this is the use of by-products from the foodstuffs industry. These by-products from human consumption are of a high-end quality and are therefore an excellent for use in feed for young animals.



## Care for young animals

Caring for young animals (calves, piglets, kids and lambs) is a central theme for Denkavit. We are convinced that improving animal health and animal welfare are positive for both people and planet. With its innovative, high-end animal feed and smart management measures, Denkavit is working to improve these aspects. One of these focal points is reducing the use of antibiotics in young animals.

### Roughage and Avance for veal calves

Since 2008 Denkavit has replaced some of the calf milk with Avance, a high-end milk substitute pellet. In previous years, the veal calves were mainly fed calf milk replacer. However, our research demonstrated that some of the calf milk replacer can be substituted by Avance and roughage without any problem, optimising the performance of the calf's digestive system. This results in better technical operating results and is a positive contribution to the calf's welfare. The share of Avance in the feed rations was further increased in the past few years. Recent research from Wageningen UR into the preferential diet of calves shows that our current feed concept is perfectly in line with the calves' preferences.

### Lacto piglet milk range

A major development in pig farms is increase of the litter size. This means that the sows throw more piglets each time and increases our attention to provide better support for the piglets and the sow. This is why Denkavit expanded the Lacto piglet milk range in 2014. The introduction of the Lacto piglet milk range was successful in both the Netherlands and Germany. The piglet milk products have a positive effect on the vitality of the sows and the weaning weight of the piglets. With its Lacto piglet milk range, Denkavit contributes to an optimal start of both piglets and sow.

### Intensive coaching of veal farmers

Within our 'veal calf integration', we are closely cooperating with veal farmers. They are visited on a weekly basis and our specialists provide intensive assistance. Denkavit aims to be a partner to all involved. This leads to a joint advice of both veterinarians and our specialists to our customers. Denkavit's vision is that good animal health leads to lower use of antibiotics and therefore to better technical results. Animal welfare is the key issue. Intensive assistance allows for improving operating results. For this purpose, we commissioned the Veal Farmer Portal in 2014. This tool allows our specialists to quickly provide livestock farmers an insight into the details and results of their calves.

### Research and innovation

Denkavit is involved in several research programmes, including the 'One Health for Food' programme. This cross-sector programme answers questions regarding public health and animal health based on scientific research. As one of the programme partners, we are developing a diagnostics systems for lung conditions in calves. The 'One Health for Food' project will continue into 2015. We have the ambition to cooperate in a follow-up of this programme in the future.

## Feed4Foodure

We are currently involved in the semi-public partnership 'Feed4Foodure' until year-end 2016. In the partnership the Ministry of Economic Affairs collaborates with various parties from the animal feed industry. Denkavit contributes to the themes nutrition, intestinal health and immunity. In order to have optimal facilities for this research, Denkavit makes its research facilities available for this project.

Denkavit is also involved in sector-based research, including the stable floor survey. In the second phase of the survey, performed from 2011 through 2015, various stable floors for veal farms were studied extensively. The purpose of this survey is to develop an alternative floor type that offers benefits in terms of calf welfare compared with the existing floor types used in veal farms. The final choice will be implemented in our new research facility that is currently being developed.

## Our spearheads

- ① Reducing the use of antibiotics through continuous innovations in high-quality animal feed and management measures.
- ② Continuing innovations in animal feed, transport and housing together with the sector.
- ③ Closer cooperation with the dairy sector.

## Our ambition

### Health-supporting products

Developing and setting up a health-supporting product line. With this product range, Denkavit aims to respond to the need for improving and contributing to animal health and animal welfare.

### Collaboration dairy farm - veal farm

Collaborating more closely with the dairy sector and in particular more intensive collaboration with the dairy livestock sector is one of our spearheads. In order to achieve this, we will work on developing an application for the dairy farmer. With this application, we want to give the dairy farmers feedback data on the calves. This enables the farmer to compare his or her results with those of other farmers. We expect to create more attention for the health status of the calves this way. Additionally, it will provide chain transparency between the dairy farmer where the calf is born, and the veal farmer to whom the calf is taken after 2-3 weeks.





## Quality and food safety

Young animals need nutrition of a consistent and high-end quality. Assurance of quality and food safety during the production of animal feed is therefore essential. Supplying high-end, high-quality, safe veal is another high priority for Denkavit. Society imposes increasingly high demands on food safety. This is why Denkavit is GMP+ and ISO 9001:2008-certified, among others. Above and beyond such statutory requirements, we apply additional quality requirements and we are continuously working on optimising the quality systems.

### Quality coordinators

In order to continue responding to changes in legislation and increased internal complexity, the organisation started 2014 with a new quality structure. Each department now has its own quality coordinator. This is the result of our ambition to lift the quality level of the organisation to an even higher level. This will also contribute to increasing quality awareness within the organisation.

### Denkaveal Quality System

Quality and safety are core values for Denkavit as a producer of both animal feed and veal. This is why we developed the Denkaveal Quality System: our very own quality management system bundling all our supplementary requirements. The quality system assures the food safety aspects of our animal feed production and the animal welfare aspects in veal farms. This enables us to work to the highest standards, delivering high-end, high-quality, safe products.

### Quality plan veal calves

In order to improve both animal welfare and animal health, Denkavit is continuously looking for innovative measures and solutions. For the period 2013 - 2016, our calf specialists set up a nine-point plan for our veal calf integration. The plan is based on various measures for enhancing the animals' health, guaranteeing that we supply a high-end, high-quality product. An example is mandatory cleaning and disinfection of the stable between rounds. Since 2014 we have brought this measure to the attention of our veal farmers; meanwhile, 98% of them clean the stable between the rounds. We expect to see this rate increase to 100% in 2015. With our nine-point system, we actively work on enhancing animal health, job satisfaction and more convenience in the stable.

### Safety first

The safety of our employees is a key element in production to the highest standards. This is why the design of our systems is always based on safe operating situations. Machines are purchased with the required certificates and labels. If necessary, the systems are subject to additional inspections by external institutions. We also have a detailed corporate contingency plan at Denkavit. The internal organisation for first aid practices frequently, also in collaboration with the local fire brigade and other aid organisations.

## Our spearheads

Optimising an umbrella quality system containing all quality requirements and components of Denkavit. This concerns both statutory and higher than statutory in-house elements.

## Our Ambition

### Health and safety in our quality system

Integration of the statutory and higher than statutory requirements relating to the themes health and safety in our quality system.

## Results



15  
Quality coordinators appointed.



98%  
Our veal farmers clean and disinfect the stable between rounds.

Safety at the farms of our clients is also important. We are working on this aspect in close cooperation with St vd Brink, our transport company for our products in Germany and Benelux. In 2014 we equipped the drivers with a 360 degree camera system. The system allows drivers to view all around the truck and we hope this will prevent accidents on and around the farms.



## Efficient production and logistics

Denkavit continually works on optimising the efficiency of its production and logistics. In the coming years, more food will have to be produced in order to feed the growing population. The challenge to the agricultural sector is to produce food using less raw materials and with a smaller ecological footprint. This is why we aim for limiting the energy consumption of our plants, for reducing the CO<sub>2</sub> emissions and for minimising waste. Where possible, Denkavit will be committed to using liquid dairy flows in the coming years too in order to realise energy savings measured on the feed rations of a veal calf.

### New plant in France

In 2014 Denkavit commissioned its new plant in France. This plant has a production capacity of 150,000 tonnes, producing piglet feed products such as Avance, the high-end milk substitute pellet. This feed concept is used by many Dutch, German and Italian veal farmers, and can now be introduced in France too. The introduction of Avance in France made a positive contribution to the well being of the calves, resulting in better technical results for the livestock farmers. Thanks to the investment, we operate the market in a broader and more efficient way, which benefits both the animals and the livestock farmers.

### Reducing energy consumption

Since 2011 Denkavit, as a member of Nevedi (Animal Feed Industry Sector Board), has participated in the 'Clean and Economical AgriSectors' covenant. On behalf of the animal feed sector, Nevedi concluded a long-term agreement with the government (MJA3) for improving energy efficiency within the Netherlands. A joint target of an 8% improvement in the energy efficiency in 2016 compared to 2011 applies to all MJA3 participants. In the past few years, Denkavit was able to achieve a minimum annual energy reduction of 2%.

### Waste and packaging

To save on packaging materials and to minimise waste production, we aim for maximising bulk transport. However, this is not always possible due to the choices of our customers and the distances between our plants and our customers, for example. The conditions in which the product can be carried are also a factor in the choice of bulk or bags. Within our veal integration in the Netherlands and Germany, we choose maximising bulk transport. In 2011, 9% of products for our integration was supplied in bags. In the past few years, this rate further decreased from 8% in 2013 to 7% in 2014. This has saved almost 20 tonnes of plastic since 2011.

### Gas savings by connecting air compressors

Efficiently using heat recovery not always applies directly to the production process. It can also be applied within the supporting processes. An example is connecting the air compressors to the heating system of the fat tank park. The production of compressed air releases a high amount of heat. The fat tank park has a continuous need for heat in order to keep the fat mixtures in a liquid state. This is achieved by a hot water circuit heating the fat tanks and the double-walled pipes. The latest generation of air compressors is equipped with heat

exchangers connected to the central heating system of the fat tank park. This achieves a gas consumption saving, quickly returning the investment in the heat exchangers.

### Videoconferencing

In the past few years, we significantly encouraged the use of videoconferencing. This resulted in saving both time and money. Using videoconferencing allowed us to save on car and plane mileage, leading to a decrease in CO<sub>2</sub> emissions.

## Energy consumption and production

Since 2011 Denkavit has calculated the energy consumption in the Netherlands in the context of MJA3. In the past few years, Denkavit has used the following quantities:

	2013	2014
<b>Energy consumption</b>		
Electrical power (MWh)	8,753	9,133
Gas (M <sup>3</sup> )	712,000	674,202
Total net primary energy consumption (TJ)	101.3	103.5
<b>Production volume</b>		
Energy consumption/production (MJ/tonne)	100%	91.8%

Compared to 2013, gas consumption in m<sup>3</sup> decreased as a result of savings measures implemented. Two measures that contributed to this decrease are heating the fat tank park using heat recovered from the air compressors and replacing the heating boiler control in the plant and workshop by a higher-performance system. These measures, combined with the mild winters of the past few years, contributed to lower gas consumption.

Total energy consumption increased, but at a slower rate than the total production volume. We started working more efficiently and using the production line more intensively to realise a decline in the energy consumption per tonne of animal feed produced. The energy saving measures applied made a substantial contribution in this respect.



## Efficient logistics

Denkavit outsourced the outbound transport of its products within the Benelux countries and Germany to St vd Brink, a transport company. We have been working with this partner since 1973. Jointly, we are continuously looking for sustainable logistics solutions. One of the points of attention is fuel consumption. Within St vd Brink, coaches train their employees how to drive for sustainability and fuel efficiency. Onboard computers monitor fuel consumption and, if necessary, the St vd Brink drivers are coached immediately. Specifically for Denkavit transport, St vd Brink invested in more fuel-efficient trucks in 2014, with more capacity and more compartments. This improved the load rates and fewer transport journeys were necessary. Another investment that also contributes to efficient logistics was buying a dump trailer. This type of bulk truck is more suitable to take a return load of raw materials, saving on empty mileage.

## Our spearheads

- ① Decreasing the carbon footprint of our production by 8 % energy efficiency improvement in 2016 compared to 2011.
- ② Further decreasing the carbon footprint based on transport measures, together with St vd Brink via the Lean and Green programme. Expanding the storage capacity in order to increase the load rate of trucks and allow for more flexible production.
- ③ Encouraging the use of videoconferencing for both internal and external agreements.

## Our ambition

Denkavit has chosen to apply liquid whey in a number of stables in the next few years. This liquid whey serves to replace the whey powder in calf milk, allowing for having to dry less whey, reducing the CO<sub>2</sub> emissions.

In order to further optimise our production and logistics, Denkavit is working on merging all planning tasks within a single central Supply Chain Management Department. A key task of the new department will be efficiently structuring the various inbound and outbound transport flows. This helps us save on transport, among others, which leads to environmental benefits and cost savings. In the coming years, we will invest in a second compound feed line, which will significantly increase the storage capacity for bulk raw materials. This will make it easier for bulk trucks to deliver products and take raw materials on the return journey. This will enable us to prevent even more empty mileage in the future.

## Results



Plastics reduction by encouraging bulk transportation since 2011.



Reduction in energy consumption per tonne of animal feed since 2013.





## Connecting the chain

Demand for recognisable products and transparency on 'where our food comes from' is increasing in society. Consumers impose increasingly high requirements on animal welfare and food safety. Together with buyers and partners in the chain, Denkavit aims to respond to this trend and provide a positive contribution to animal health, animal welfare, the environment and food safety. We see this as our responsibility as we are at the base of the food chain.

### Denkatour and Denkadaten

Employees are Denkavit's biggest performance factor. We aim for optimal collaboration with partners and between our employees. This is why we annually organise meetings with employees to interconnect with each other and with our partners. In 2013 the Denkatour took place. Employees visited some of our end users. A tour of the livestock farm was followed by a workshop on customer focus. After the success of the Denkatour, we started Denkadating in 2014, focusing on the knowledge and experience of the internal customer (colleagues). In groups, we visited all workplaces of all employees. Both the Denkatour and Denkadating resulted in an even higher internal engagement and customer focus.

### Collaboration with important stakeholders

Denkavit's mission is: Growing is something you do together. In our view, you need partners in order to grow. This is why we are continually entering into a dialogue with various chain partners. Denkavit's key stakeholders are: livestock farmers, raw material suppliers, the dairy industry, veterinarians, compound feed manufacturers, logistics service providers, distributors, slaughterhouses and the government. A good example of our search for dialogue in the chain is formed by the knowledge exchange days we organise.

### Denkadays

Denkavit organises the 'Denkaday' every other year. Based on this symposium for nutritionists and buyers from the compound feed industry, we aim to encourage this exchange of knowledge. During the symposium, various national and international speakers with different backgrounds present their visions on the latest developments in the sector. With an average 80 attendants, the Denkaday is an excellent platform to interconnect people and exchange knowledge within the compound feed industry.

### Social projects

In addition to activities relating to CSR within the internal organisation, Denkavit also supports external organisations with social projects. For 2014-2015, we support Unicef's project 'Prevent Child Mortality' in Burundi. With the 1,000-day plan, mother and child receive the right care from pregnancy and birth up to the third year of the baby's life. In Germany, Denkavit also supports some external organisations such as 'Die Tafel' - the German food bank. We also support 'Aktion Mensch', an organisation committed to disabled people.

### Denkavit Distributors' Days

To reinforce the Denkavit global network, sharing knowledge and encouraging interaction, Denkavit organises the Distributor Days once every three years. The last edition took place in 2013. Distributors from over 25 countries visited Denkavit in Voorthuizen. In addition to informative sessions with Denkavit, visitors were also introduced to the Dutch history, including a visit to Zuiderzee Museum in Enkhuizen.

### Denkavit College

Extensive knowledge of animal feed raw materials and animal welfare in their first phase of life is the basis of our company. This knowledge is used to develop high-quality feedstuffs, contributing to animal welfare, animal health and profit. Developing and sharing knowledge internally is important to us. Therefore Denkavit College was set up. We would like to train all people selling our products to the livestock farmers, including our distributors. In addition to classical training, we also give training in our laboratory and outside the classroom.

## Employees

The employees are essential for Denkavit. They are instrumental to our company's continuity. Our employees are motivated and the organisation is characterised by low sick leave rates and long-term employment. We are investing in training options and training for our employees. As an employer, we support the employees during their career, offering them the option of optimal development. We work with knowledge institutes to ensure optimal support for our employees during their careers.

### Exchanging knowledge

Denkavit is actively working on intensive exchange of knowledge with its partners and customers. We also aim to have livestock farmers exchange knowledge with relevant parties. This results in interaction with the veterinarian and the compound feed supplier. This way, the livestock farmers receive combined advice, allowing us to assist them in a better and more structural way.

## Facts and Figures Employees

### Staffing levels worldwide

2013 2014



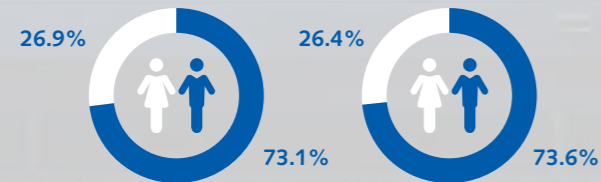
### Staffing levels in the Netherlands

2013 2014



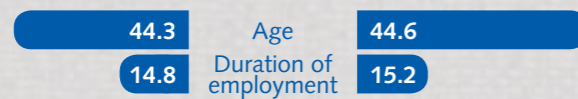
### Gender

2013 2014



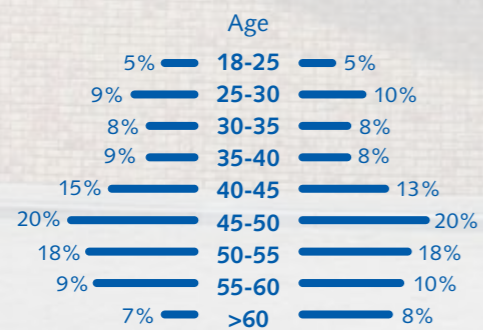
### Service years

2013 2014



### Age distribution in the Netherlands

2013 2014



### Sick leave

2013 2014



## Our spearheads

- 1 Organising more knowledge exchange based on meetings for livestock farmers, veterinarians, compound feed companies and the dairy industry.
- 2 Following up on the social project with Unicef's 'Child Mortality Prevention' project in Burundi.

## Our ambition

Focusing more actively on exchanging knowledge

Denkavit will be focusing more actively on exchanging knowledge with various stakeholders. This will lead to an improvement in technical results, animal welfare and job satisfaction.

## Results



Average sick leave rate.



Average duration of employment.





## Sustainable use of raw materials

The world population is set to grow in the next few years - as will demand for food. The pressure on (scarce) raw materials, water and nature will increase. Sustainable production of food is therefore a crucial element. Denkavit aims for sustainable use of raw materials and makes little use of water in its production process. Making by-products valuable and conducting research into alternative raw materials and proteins are therefore worthy spearheads.

### Researching feeding efficiency

Denkavit conducts extensive research into improvement of feeding efficiency in young animals. Better feeding efficiency - more with less - reduces the ecological footprint and allowing increased profit for the farmers. High feeding efficiency means efficiently converting feed intake into body weight and state. With two research partners from Finland, we conducted research in the past few years into conversion of fermentable energy, allowing for increasing the profit. Improved feed conversion provides cost savings and also has a positive impact on animal health. This way, Denkavit contributes to efficient use of raw materials.

### Sustainable soy

Soy is a vital raw material for animal feed and is grown in countries such as Brazil, Argentina and China. Denkavit collaborates with other Dutch animal feed producers in the Chain Transition Responsible Soy Foundation to achieve 100% use of responsible soy by 2015. Responsible soy is grown in accordance with the principles of the Round Table on Responsible Soy (RTRS) or equivalent. We also support Nevedi relating to sustainable purchasing of soy. This means having attention for nature conservation, biodiversity, responsible use of crop protection agents, good working conditions and respect for local land rights. For Denkavit, the use of sustainable soy matters.

### Sustainable palm oil

Palm oil is another key ingredient for animal feed, which is mainly imported from Asia. Denkavit is involved in the Sustainable Palm Oil Task Force, a partnership of the Dutch sector boards in the palm oil chain. The Task Force's ambition is to buy sustainable palm oil for 100% of foodstuffs and animal feed for the Dutch market latest by year-end 2015. Responsible palm oil is grown in accordance with the principles of the Round Table on Responsible Palm Oil or equivalent. Denkavit works on the use of sustainable palm oil via the sector boards (RSPO).

### Acquisition of V-milk

In 2014 Denkavit acquired the Feed Division of Vreugdenhil Dairy Foods (V-milk). This acquisition offers us the opportunity to upgrade the value of by-products from the foodstuffs industry. These by-product flows from human consumption are of a high-end quality and are therefore eminently suitable for use in the animal feed industry. This development is in line with Denkavit's ambition of continually looking for possibilities for optimal use of by-products. Denkavit is working on a new plant at the Voorthuizen site in order to ensure optimal processing of these products within its range.

## Our spearheads

- 1 Focusing on maximum use of high-end, high-quality raw materials.
- 2 Conducting research into the possibilities of using alternative, high-end protein sources, such as insect-based protein.

## Our ambition

### Alternative sources of raw materials

Denkavit is continuously looking for alternative sources of raw materials and new ways to optimise the value of by-products.

## Glossary

### ASSALZOO

National Association for Producers of Animal Feedstuffs

### BEMEFA

Belgian Compound Feed Industry Association

### BVK

Veal Industry Association

### CVI Lelystad

Central Veterinary Institute, Wageningen UR

### Denkaveal Quality System

Quality Management System for assurance of animal welfare and food safety aspects relating to animal feed production and veal farming

### DVT

German Association for Animal Feed

### EVO

Business Association for Logistics and Transport

### FEFAC

European Feed Manufacturers' Federation

### FENEDEX

Dutch Export Association

### Food Valley

Food Valley Society, encouraging innovation in the Dutch Agro sector

### GD

Animal Health Service

### GMP+

Good Manufacturing Practices

### GRI

Global Reporting Initiative, the international guideline for reporting on sustainability and Corporate Social Responsibility

### ILVO

Institute for Agricultural and Fisheries Research

### KNMvD

Royal Dutch Society for Veterinary Medicine, association for veterinaries

### LTO

Dutch Federation of Agriculture and Horticulture

### Ministry EZ

Dutch Ministry of Economic Affairs

### CSR

Corporate Social Responsibility

### Nevedi

Netherlands Feed Industry Association

### NVWA

Netherlands Food and Consumer Product Safety Authority

### MJA

Long-term Agreement Energy Efficiency

### RDA

Council on Animal Affairs

### SDVF

French Veal Producers Union

### SNIA

French Animal Nutrition Industry Association

### SKV

Foundation for Quality Guarantee of the Veal Sector

### Veau-loire

Veau-loire Veal producers

### Wageningen UR

Wageningen University & Research Centre

## Colophon

### Denkavit Nederland BV

Tolnegenweg 65/Postbus 5  
3780 BA Voorthuizen, the Netherlands  
t +31 (0)342 47 92 00  
f +31 (0)342 47 95 15  
denkavit@denkavit.nl  
www.denkavit.nl

### Denkavit Ingredients BV

Tolnegenweg 65/Postbus 5  
3780 BA Voorthuizen, the Netherlands  
t +31 (0)342 47 24 14  
f +31 (0)342 47 27 68  
ingredients@denkavit.nl  
www.denkavit.nl

### V-Milk BV

Tolnegenweg 65/Postbus 5  
3780 BA Voorthuizen, the Netherlands  
t +31 (0)342 47 92 00  
f +31 (0)342 47 95 15  
denkavit@denkavit.nl  
www.denkavit.nl

### Denkavit France SARL

Z.I. de Méron/Boîte Postale 9  
49260 Montreuil-Bellay, France  
t +33 (0)241 83 10 83  
f +33 (0)241 83 10 80  
ingredients@denkavit.fr  
www.denkavit.fr

### Denkavit Futtermittel GmbH

Katzheide 4  
48231 Warendorf, Deutschland  
t +49 (0)258 16 36 10  
f +49 (0)258 16 36 143  
denkavit@denkavit.de  
www.denkavit.de

### Denkavit Italiana Srl

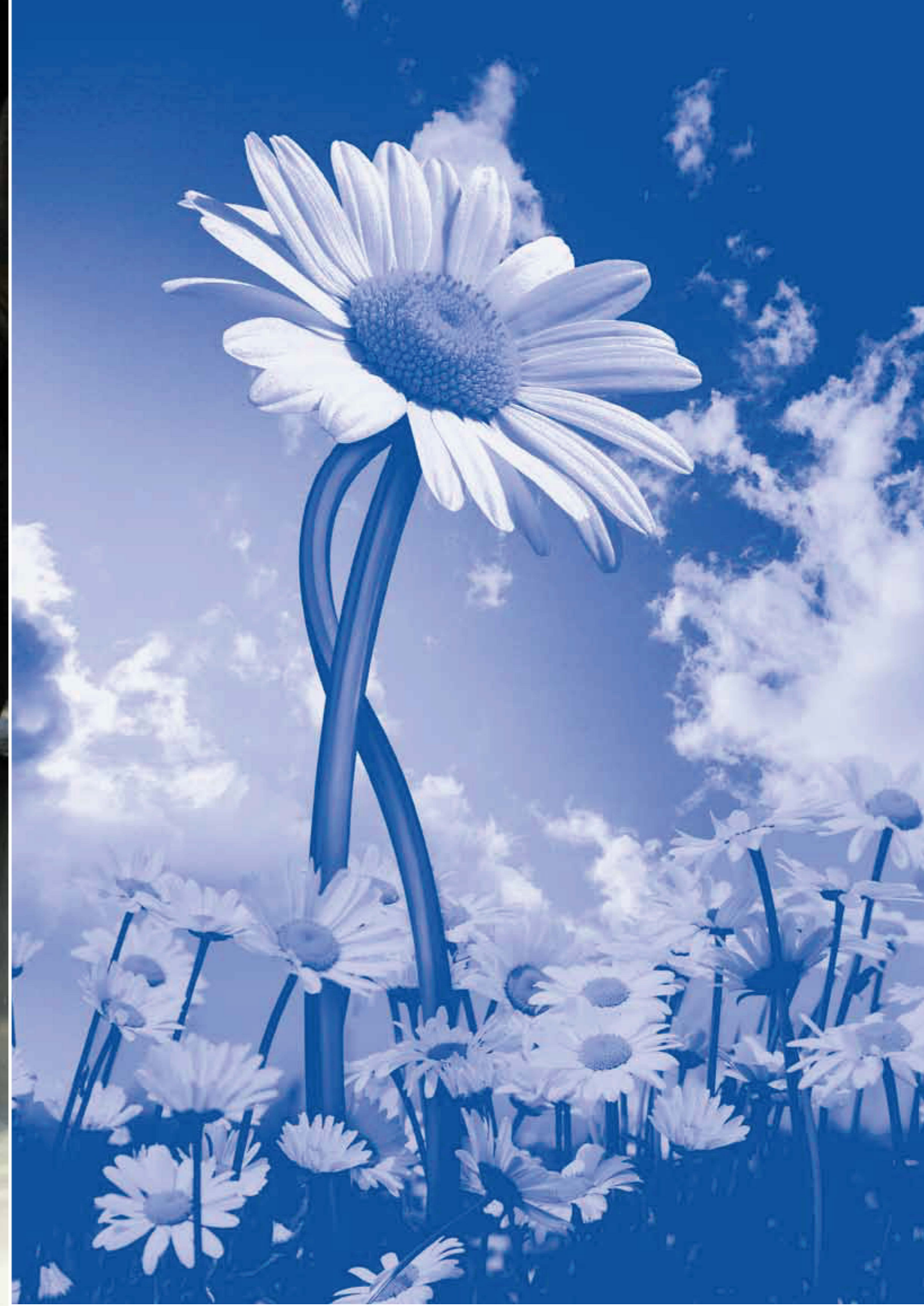
Via Brescia 112  
25018 Montichiari (BS), Italia  
t +39 (0)309 65 04 00  
f +39 (0)309 98 10 71  
denkavit@denkavit.it  
www.denkavit.it

### dWb Proteins Srl

Via Spagna 19  
37069 Villafranca - Verona, Italia  
t +39 (0)456 33 62 22  
f +39 (0)456 30 59 12  
info@dwbproteins.it

### Schuttelaar & Partners

Zeestraat 84  
2518 AD The Hague  
the Netherlands  
+31 (0)70 318 44 44  
info@schuttelaar.nl  
www.schuttelaar.nl



# Denkavit's five sustainability cornerstones

Our sustainability policy consists of five cornerstones. These cornerstones indicate the issues where Denkavit can make a difference. For each cornerstone we determined new ambitions that we are actively working on.



Care for young animals



Quality and food safety



Efficient production and logistics



Connecting the chain



Sustainable use of raw materials