

**VanLoonGroup**\*  
Good source. Great food.

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On  
track

Good source. Great food.

# Contents

<b>Preface</b>	<b>4</b>
<b>Van Loon Group</b>	<b>6</b>
Mission, vision statement, core values, ambition, strategy	
Businesses	
Value chain	
Stakeholders	
<b>Van Loon Group's CSR guiding principles, and CSR themes</b>	<b>14</b>
Materiality Analysis	
Highlights 2020	
Contributions to the United Nations Sustainable Development Goals	
 <b>Consumer and Health</b>	<b>21</b>
 <b>Sustainable production</b>	<b>32</b>
 <b>Chain management and animal welfare</b>	<b>44</b>
 <b>Employee safety and well-being</b>	<b>52</b>
<b>Appendix</b>	<b>62</b>
Stakeholder commitment	
GRI table of contents	

# On track



**The year 2020 was a remarkable year in many ways. The Covid-19 pandemic had a major impact on our employees and on our business operations. We were forced to implement measures that placed great demands on the adaptability of our employees. Nevertheless, we can conclude that we made a success of the past year. The number of corona cases in our company remained under control. The vast majority of our people remained healthy.**

The pandemic had both positive and negative effects on sales of meat products, meat substitutes and ready meals. In retail we saw an increase in sales offset by a massive reduction in the catering market. In spite of the worldwide closure of the catering industry, our meat substitute division made pleasing advances, giving us confidence for the years to come. We are continuing to innovate in our non-meat range to achieve further growth.

2020 was also the year in which we worked on implementing our strategy. The integration of Enkco has been completed and the acquisition of Groot Vlees resulted in a strengthening of our beef-related activities. The proposed acquisition of Bonfait allows us to achieve our ambition of further development of our business as a food business.

In short, we can look back on an unprecedented yet successful year. The Covid19 pandemic emphasises even more than usual just how important our employees and their health are. We repeated the Employee Satisfaction Survey and are motivated even more than usual to deal with the areas needing improvement. Because healthy, committed and enthusiastic employees make a real difference!

**Roland van Loon** - Van Loon Group CTO



**Jan Weijers** - Van Loon Group CEO  
*“There is no such thing as a normal year for our company, but 2020 was an exceptional year during which our employees faced up to many challenges, managing to keep the food supply chain running. I can’t wait to be able to celebrate these successes with each other!”*



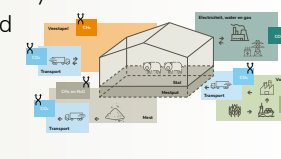
**Pieter Geraerts** - Van Loon Group CFO  
*“There were significant highs and lows in our sales figures. You could say it was a turbulent year. I am proud of our people because together, in spite of it all, we made sure that we provided optimum service for our customers.”*



**Cyril Claassens** - Van Loon Group CCO  
*“The world entered lockdown. 2020 is a year I am not likely to forget. As a result, our catering industry division had an extremely hard time, whereas in contrast our retail business grew. Our autonomous position enabled us to expand our product groups and range, partly by acquisition of several interesting businesses. I am extremely proud of our organisation’s agility. We have been able to present exceptional results to the market.”*

## MOST IMPORTANT EVENTS OF 2020

<b>MARCH</b>	Emergence of the Covid-19 pandemic. Introduction of the first corona measures for the entire Van Loon Group.
<b>APRIL</b>	Meatpoint, Van Loon Group's social intranet was launched with a humorous rap video.
<b>JULY</b>	In collaboration with HAS University of Applied Sciences we launched the Pork Print App, a tool enabling Van Loon Group to monitor the carbon footprint of its pork production businesses.
<b>SEPTEMBER</b>	Employee Satisfaction Survey by Effactory for all of the group's businesses. Our Son and Eersel sites participated for the second time.
<b>OCTOBER</b>	Closure of our Holten site.
<b>NOVEMBER</b>	Introduction of Pork at its Best (Dutch: Varken op z'n Best), Van Loon Group's innovative supply chain concept aimed at improving the quality of our pork and at making the chain transparent, sustainable and controllable.
<b>DECEMBER</b>	Acquisition of Groot Vlees BV, changing the name to Verhey Vlees Excellent.  Verhey Vlees closed for 1 week due to Covid infections.  Announcement of proposed acquisition of Bonfait.



# Van Loon Group

Van Loon Group is an enterprising family business and consists of seven passionate, innovative and forward-thinking producers of meat products, meat substitutes and ready meals.

## Our mission statement

We contribute to our customers' success by creating delicious, responsible meat products, meat substitutes as well as ready meals for the enjoyment of consumers.

## Our vision

We deliver a varied range of high quality, sustainable and innovative products to the consumer through a range of channels. Our employees are at the heart of our business and strive to make a difference, day in, day out.

## Our ambitions

We have the ambition of being and remaining the most sustainable and customer-oriented producer of meat products, meat substitutes and ready meals.

## Our strategy

To ensure sustainable, profit-making growth of our organisation.

## Our strategic guiding principles

### Employees

Our employees are at the heart of our business. We invest in the knowledge, skills and professionalism of our people and ensure their long-term employability. This enables us to safeguard the continuity of our business and allows us to serve our customers better.

### Sustainability

Van Loon Group is an integral part of society and feels a joint responsibility and commitment to the world of tomorrow. We therefore practice a practical and concrete sustainability policy that is supported throughout the entire organisation. This enables us to increase sustainability in every aspect of our business operations, allowing us to act proactively to make our customers' sustainability objectives possible.

### Operational Excellence

Van Loon Group operates in a competitive market. To enable us to guarantee a competitive cost structure, we invest continuously in advanced production facilities, processes and systems.

### Growth

We aim to strengthen our market position and profitability still further by autonomous growth and promising business acquisitions. This is possible with existing product groups and in existing markets, but also with new product groups and in new (geographical) markets.

## Our core values



### Improving every day

Van Loon Group has been focussing on the question of how to improve since 1971. Better collaboration in the supply chain. Making production more efficient and more sustainable. That's why we are continuously innovating, testing and learning. Day after day. Enabling us to offer our clients and the end users the absolute best.



### Focused on the future

Van Loon Group is an integral part of society and accepts its responsibility for the world of tomorrow. We shape the future based on sustainable relationships with colleagues, customers and suppliers. Always with respect for people, animals and the environment.



### Committed team players

We are proud of our family history and we are committed to our colleagues. We listen, ask questions and challenge them. We provide each other with feedback and communicate openly with each other, working as a team to deliver the best results.



### Winning together

We aim for success. We seek out solutions where others see threats. We are not afraid to stick our necks out and to take responsibility. We demonstrate decisiveness and determination, proving we have a winning mentality.



# Van Loon Group businesses



Van Loon Group's headquarters is in Eindhoven/Son, The Netherlands, and consists of 7 different producers of meat products, meat substitutes and ready meals with various production facilities spread throughout the entire Netherlands. Van Loon Group sells its non-meat range under The Blue Butcher label.



**Van Loon Vlees** supplies an extensive range of pre-packaged meat products and meat substitutes to the international retail market. We supply this from our ultra-modern production site on the Ekkersrijt Industrial Zone in Eindhoven/Son.

[www.vanloonvlees.nl](http://www.vanloonvlees.nl)



**Meat Friends** supplies pre-packaged meat and meat substitute products to the retail market. The business has production sites in Beilen and Best. Meat Friends gives its all for its customers. The business is extremely flexible in response to customer requests and outstanding at developing new meat concepts.

[www.meatfriends.nl](http://www.meatfriends.nl)



**Brandenburg Culinaire** offers its customers tailor-made meat concepts such as oven-ready meat dishes, BBQ products and other specialities. Brandenburg's Culinary Ham and Culinary Pork have forged a place at the forefront of the Dutch retail market.

[www.brandenburgculinaire.nl](http://www.brandenburgculinaire.nl)



**Enkco** sells chilled and high-quality frozen products such as burgers, meatballs, sausages and other quick-cook products to the catering industry and B2B market.

[www.enkco.com](http://www.enkco.com)



**Bonfait** produces and sells chilled ready meals, meal components, salads, pasta salads, soups and sauces. Bonfait's strength is in innovative ready meals, responding to their customers' wishes and needs. Their customers include speciality shops in fresh food, supermarkets and institutional clients in the food market within Europe.

[www.bonfait.nl](http://www.bonfait.nl)



**Best Star Meat** supplies pork to other Van Loon Group businesses and to industrial customers. In addition, in its role of certified supply chain manager for the Beter Leven (better life) quality label, it maintains all our contacts with the livestock farmers who are contracted to Best Star Meat.

[www.beststarmeet.nl](http://www.beststarmeet.nl)



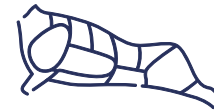
**Verhey Vlees** specialises in professional processing of cattle originating from the dairy industry. The high-tech production location in Nuth processes the cattle carcasses with care, butchering, packaging and labelling them to customer specifications. Verhey Meat Excellent focusses on processing and fine-grained distribution, particularly of Irish beef and 2-star Beter Leven (better life) quality label beef.

[www.verheyvlees.nl](http://www.verheyvlees.nl)

# Value chain



In its role as certified supply chain manager for the Beter Leven quality label, Van Loon Group has pork and beef livestock farmers under contract



- Breeders' organisation
- Feed producer

- Beef and pork livestock farmers

- Slaughterhouse
- Beef and pork

- Cutting plant

- Processing

- Retail
- Catering industry
- B2B

- Consumer

Purchasing primal cuts: veal, poultry, lamb, game

Parts of the value chain where Van Loon Group is active: ■ directly active ■ indirectly

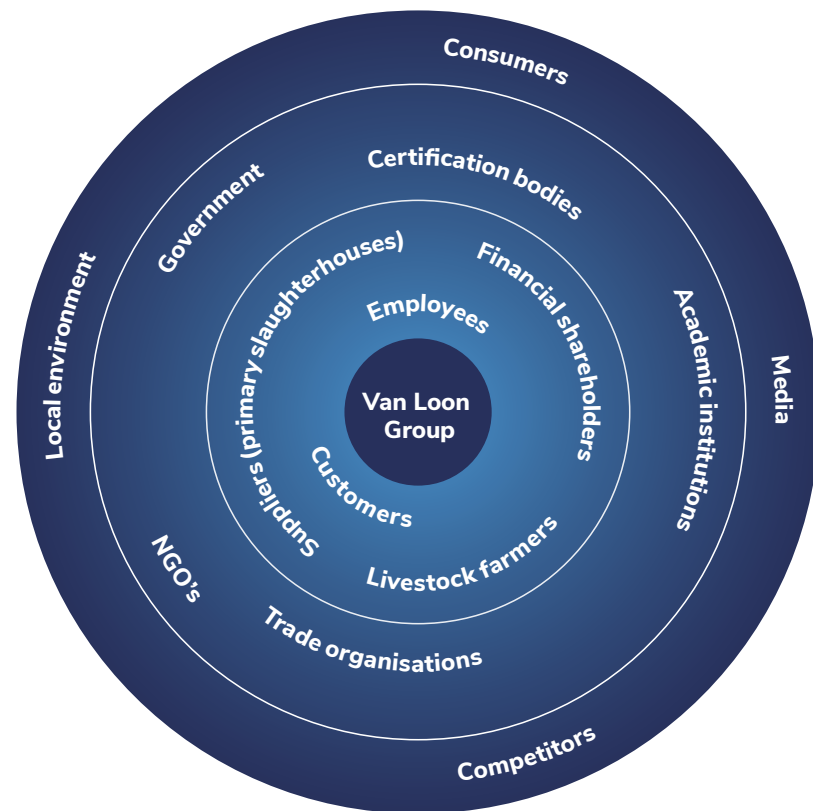


# Stakeholders

As a producer of meat products, meat substitutes and ready meals, Van Loon Group plays a crucial role in the supply chain. Cooperation with stakeholders is essential for the success of the business.

The most important direct stakeholders are our colleagues, customers, livestock farmers and slaughterhouses. We aim to actively involve these stakeholders during the design of our sustainability programme. We also keep track of consumer sustainability preferences and trends by talking to our customers, following market research or actively conducting our own research.

We intend to increase the active involvement of our most important stakeholders during the continued design of our sustainability policy.



# CSR guiding principles and CSR themes

Van Loon Group's sustainability policy is based on 4 guiding principles, each linked to relevant CSR themes based on input from our stakeholders and consumer research.



## CONSUMER AND HEALTH

The Covid-19 pandemic resulted in a further growth in the Dutch public's interest in healthy eating and exercise. We opt more often for a no-meat day. We want to know where our food comes from and how it has been produced. And we want food personalised to suit whichever specific lifestyle we are following. As a meat processing business, we play an important role in contributing to a varied diet. Safeguarding food safety is obviously part of this. Consumers and customers must be able to have complete confidence in this. In addition, we are continually searching for ways to make our products healthier.

### CSR themes related to the guiding principle Consumer and Health

- Food Safety
- Organic meat
- Salt, sugar and fat content
- Antibiotic use
- Losses and food waste
- Protein transition



## SUSTAINABLE PRODUCTION

From solar panels on the roof to stimulating employees towards 'sustainable behaviours'. And from heat recovery to reducing waste water contamination levels. This is just a selection from the full range of measures that Van Loon Group puts into practice. We do everything we can to minimise our footprint while sustaining the continuity of our organisation. Our state-of-the-art sustainable production site in Son is a perfect example of this.

### CSR themes related to the guiding principle Sustainable Production

- Water
- Waste
- Sustainable energy generation & energy efficiency
- Packaging materials
- Greenhouse gas emissions



## UPPLY CHAIN MANAGEMENT AND ANIMAL WELFARE

Successful, sustainable and humane business is only possible if it is embedded throughout the whole supply chain. As certified supply chain manager, Van Loon Group ensures that the required methods are carried out correctly by every link in the supply chain. As we are the certified supply chain manager for beef, a significant percentage of our 2-star beef has the Beter Leven (better life) quality label. In the pork supply chain, we have gone one step further. Van Loon Group took the initiative for Pork at its Best (Dutch: Varken op z'n Best), the innovative supply chain concept for improving the quality of our pork, making the chain transparent, sustainable and controllable.

### CSR themes related to the guiding principle Supply Chain Management and Animal Welfare

- Adding value to sustainable products
- Animal welfare
- Transparency and product integrity
- Sustainable soya and palm oil
- Local sourcing



## EMPLOYEE SAFETY AND WELL-BEING

Our employees are our assets. We continually strive to create a safe, healthy and interesting working environment. This means that we provide a safe and pleasant working environment and that we also encourage our employees to adopt a healthy lifestyle. By paying attention and taking an interest in our employees, our goal is to keep every one of them committed and enthusiastic. We give our employees the space for personal development. To enable this, we have the Van Loon Campus where employees can not only follow the training they need for their work, but the Campus also offers them the opportunity for personal growth and development.

### CSR themes related to the guiding principle Employee Safety and Well-being

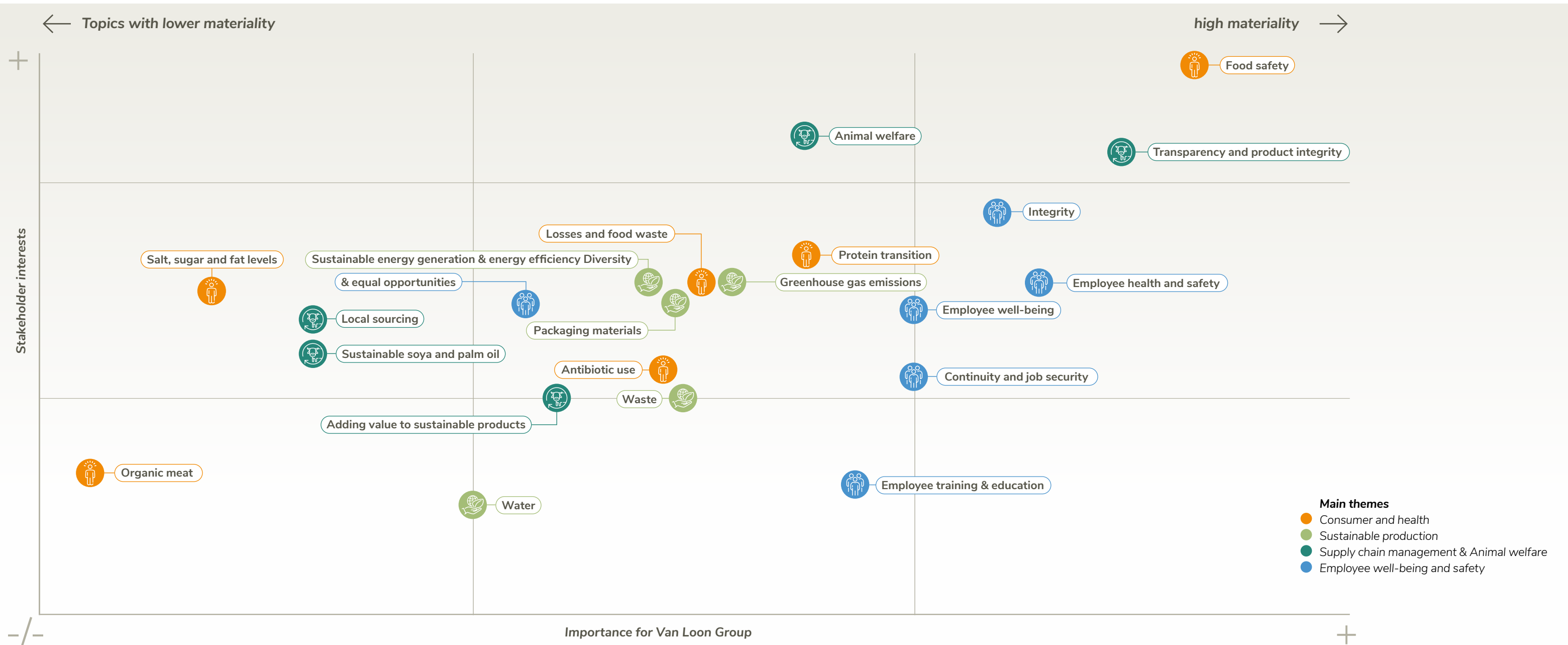
- Employee training & study programme
- Diversity and equal opportunity
- Continuity and job security
- Employee well-being
- Employee health and safety
- Integrity



# Material analysis

We regularly recalibrate our materiality analysis with internal and external stakeholders. Topics on the top right have the highest materiality and topics on the bottom left are of less material significance.

All materiality topics are addressed in this CSR report. The following pages describe in detail what we achieved in 2020 for each CSR theme.



CSR GUIDING PRINCIPLES

# Highlights 2020



**CONSUMER AND HEALTH**

**Reduction of sugar and salt**

- In 2020 we used a total of 9407 kg less salt and 4716 kg less sugar in our products compared to 2019.
- In the fresh quick-cook mincemeat roll product 'boomstammetjes', we achieved a salt reduction of 42% and a 91% sugar reduction in our BBQ 'spekfakkels' bacon sticks.
- In the last year we have also aimed at lowering the salt level in our vegetarian range, e.g., the salt level in The Blue Butcher burger has been reduced from 1.6% to 1.1%.

**Reduction in antibiotic use**

- Our pig farmers' antibiotic use has gone down and there is also an improvement visible in relation to Salmonella: not a single business is now in category 3 (high risk) and there are more businesses in category 1 (low risk).
- In our supply chain, we are actively promoting adoption of the HyCare management system. In 2020, three new businesses were HyCare certified, bringing the total to 12. This represents over 8% of the total number of our fattening pig numbers. Antibiotic use at these businesses is more than a third below average.

**Combatting food waste**

- In 2020 we donated 80,000 kg of meat products to Dutch food banks. This enabled them to provide 10,000 families with meat products for a whole quarter.



**SUSTAINABLE PRODUCTION**

**Saving energy sources**

- Water consumption has been reduced by 11% for every tonne of products sold.
- This year we have generated an extra 1,411,933 kWh electricity using our own PV systems. In total 2,688,242 kWh was generated, 6.2% of our total consumption.

-11%

+1,411,933 kWh

**Packaging and emissions**

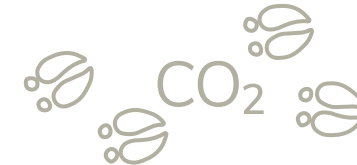
In the past year the business Meat Friends North switched from normal skin pack packaging to FlatSkin packaging in which the plastic tray is replaced by a cardboard carrier. This results in a considerable reduction in the amount of plastic used. This FlatSkin packaging will be adopted by a further two Van Loon Group businesses in 2021.



**SUPPLY CHAIN MANAGEMENT AND ANIMAL WELFARE**

**Pork Print Tool**

In July, Van Loon Group launched the Pork Print Tool in collaboration with HAS University of Applied Sciences. Van Loon Group uses this tool to monitor the carbon footprint of our pork production businesses. The carbon footprint indicates the amount of greenhouse gasses produced for each kilo of pork, from birth to slaughter. The total footprint from birth to slaughter has been mapped for 38 pig producers.



**'Varken op z'n Best' label**

In October Van Loon Group began using the innovative supply chain concept Varken op z'n Best (Pork at its Best). Using this innovative supply chain concept for pork, we are raising the quality of our pork and making the supply chain transparent, sustainable and controllable.



**EMPLOYEE WELL-BEING AND SAFETY**

**Meatpoint**

In April, we launched Van Loon Group's new social intranet with a humorous rap video: Meatpoint. Now our employees have access to their own Van Loon Group app making it easy to follow everything that is going on within the group. The app can be set to your own language.

**Employee Satisfaction Survey**

In September, all of the group's businesses took part in the Employee Satisfaction Survey by Effectory for the first time. Our sites in Son and Eersel participated for the second time.

**Morale-boosting activities**

Throughout the year our employees have received various treats and incentives as morale-boosting activities within the context of the Covid-19 pandemic. At the start of the year every employee received two bunches of flowers, one for themselves and one to give away. Another activity was a party box, complete with a Van Loon Group hooded sweatshirt. All our departments used the box during their own online Christmas drinks party.

**Day release study programme (BBL)**

In 2020 a plan was made to start up a day release company study programme (BBL) within the group. In 2021 the first employees will start the new day release study programme (BBL). After two years they will gain the accredited level 3 vocational MBO certificate for Process Operator B. The course offers employees a unique opportunity to combine study and work and to develop their technical expertise.



8%



## Explanation of our CSR guiding principles and CSR themes

In the following sections we will go into more detail about our CSR guiding principles by explaining how we are contributing to each theme and which ambitions or aims we have for specific themes.

We report our figures for the various themes and explain them in this section. We also link our themes to the United Nations Sustainable Development Goals (SDGs).

## Contributing to the United Nations Sustainable Development Goals

As a business, Van Loon Group is an integral part of society and the world. We wish to contribute, wherever possible, to the 17 Sustainable Development Goals defined by the United Nations.

These determine the worldwide sustainable development agenda between 2016 and 2030.

## Van Loon Group is contributing to Sustainable Development Goals 2, 3, 4, 6, 7, 8, 12 and 13.

<b>01</b> No poverty 	<b>02</b> Zero hunger 	<b>03</b> Good health and well-being 	<b>04</b> Quality education 	<b>05</b> Gender equality 	<b>06</b> Clean water and sanitation 
<b>07</b> Affordable and clean energy 	<b>08</b> Decent work and economic growth 	<b>09</b> Industry, innovation and infrastructure 	<b>10</b> Reduced inequality 	<b>11</b> Sustainable cities and communities 	<b>12</b> Responsible consumption and production 
<b>13</b> Climate action 	<b>14</b> Life below water 	<b>15</b> Life on land 	<b>16</b> Peace and justice and strong institutions 	<b>17</b> Partnerships to achieve the goal 	

# Consumer and Health



Under our Consumer and Health guiding principle, we focus on a number of ambitions. For instance, we are contributing to the protein transition. In the past year we have continued to grow sales of our The Blue Butcher non-meat products that taste like meat. For instance, we introduced The Blue Butcher vegetarian mince to a major ready meal provider in the USA, the entire The Blue Butcher range was available in a Portuguese supermarket and we introduced various The Blue Butcher products at a major petrol chain.

At the request of our customers, we have made various products healthier this year by reducing sugar and salt and removing allergens. It goes without saying that food safety continues to be as important as ever for us.

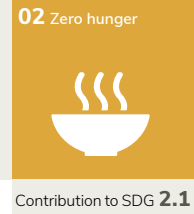
In addition, we are collaborating with our supply chain partners to reduce the antibiotic use in pork as much as possible and to make this visible for the consumer.

## AMBITIONS

- Contributing to the protein transition
- A transparent and sustainable pork supply chain
- Using natural ingredients in our products
- Quality certification at the highest level
- Embedding quality awareness in all layers of the organisation



## CSR THEME FOOD SAFETY



### Why is this one of Van Loon Group's CSR themes?

Every day millions of consumers eat our products and they expect them to be safe and healthy. Safeguarding food safety is therefore an essential part of our work.

### Boundaries

Our quality management system covers our suppliers, service providers, production processes, employees and the way in which consumers make use of our products.

### Ambition

The norm for all our production sites is certification at IFS Higher Level (International Food Standard). This allows us to demonstrate that we meet the highest food safety standards. In addition, we also require our suppliers to have GFSI certification (Global Food Safety Initiative). It is inevitable that micro-organisms are present in animal products. We therefore carry out large-scale monitoring of the bacteriological status of our ingredients and end products. We strive towards maximum compliance with the norms we have set for all our end products.

Objectives for food safety	Results
100% of our own production sites are certified at the highest level of IFS/BRC, or certified within 1 year of acquisition	9 out of 10 production sites are certified at IFS/BRC Higher Level 1 production site is GFSI certified
100% of suppliers are GFSI certified	94%



Audits	2019	2020	
Audits by external parties	78	69	-/ 9
Audit days by external parties	74	65	-/ 9
Internal audits conducted	507	401	-/ 106
Microbiological analyses	26.683	25.483	-/ 1.200
Unique quality certifications	23	29	+6
Quality certificates (spread over 10 sites)	91	86	-/ 5



Primarily due to the Covid-19 pandemic, fewer on-site audits were carried out, either by external parties at our businesses, or audits by Van Loon Group at our suppliers'. There is a drop in the number of microbiological analyses due to a more targeted approach and because we increasingly source ingredients from our own supply chain. The number of quality certificates has dropped due to the closure of our Holten site.

#### 2020 Activities

2020 saw the launch at Meat Friends of the Vital system in which the allergen cross-contamination level is quantified.

In addition, we have run a pilot with a number of quality staff in the area of Root Cause Analysis (RCA). An effective RCA is used to learn from incidents and to enable implementation of correct structural improvements.

The Almere site achieved Higher Level IFS certification whereas in 2019 it still had only basic level.

The project 'Listeria safeguards in end products by using modelling and challenge testing' was completed in 2020.

#### Predictions 2021

In the QA agenda for 2021, we intend to introduce the Vital system (quantification of allergen cross-contamination level) to 5 sites and to train all key users.

In addition, we will revise the risk analysis for labelling lines to prevent labelling errors and the RCA system will be rolled out at all our sites.

Together with the Technical Support department and others, validation of new processes and/or machines will be modified and improved.





## CSR THEME SALT, SUGAR AND FAT CONTENT

03 Good health and well-being

Contribution to SDG 3.4

### Why is this one of Van Loon Group's CSR themes?

People eat too much sugar, salt and fat. Lifestyle diseases such as diabetes and cardiovascular diseases are becoming an increasingly large problem. A reduction in sugar, salt and fat in our processed products contributes to an improvement in the consumer's health.

### Boundaries

Production of processed nonnatural end products.

### Ambition

We continually strive to make our products even healthier by minimising the sugar, salt and fat content in our end products. Naturally, we achieve this without compromising the food safety of our products.



### 2020 Activities

All improvements we make to our recipes for this theme are made in consultation with the customer. Of course, the quality and food safety of the product must not be adversely affected.

These are mainly improvements to products for fresh retail channels. For instance, in 2020 we reduced the number of allergens in many of our products. In the majority of cases, the allergen egg has been removed from the recipe. The brines for many BBQ products have been adjusted to reduce the number of E numbers. In 2020 we used a total of 9407 kg less salt and 4716 kg less sugar in our products compared to 2019. In the fresh quick-cook minced meat roll product ('boomstammetjes'), we achieved a salt reduction of 42% and a reduction of 91% sugar in our BBQ bacon sticks ('spekfakkels').

In the past year we have also worked towards lowering the salt level in our vegetarian range, e.g., the salt level in The Blue Butcher burger has been reduced from 1.6% to 1.1%.

### Predictions for 2021

For 2021 our R&D agenda is focussed mainly on the reduction or removal of palm oil from our recipes.

In addition, we are focussing on implementing our customers' health programmes, e.g., precooked chicken products may only contain 1.25% salt.

Carbohydrates (sugar, starches) and allergens may only be added if they are necessary and maximum limits will be set for the use of E numbers.

Finally, we wish to continue with the salt reduction in our existing and new vegetarian range and we are also currently making these products richer in vitamins and minerals.

## CSR THEME ORGANIC MEAT

02 Zero hunger

Contribution to SDG 2.4

### Why is this one of Van Loon Group's CSR themes?

Many consumers value sustainable products. During the production of organic meat, extra attention is paid to the environment and animal welfare. Animals are given more space and artificial fertiliser is not used.

### Boundaries

The whole supply chain from livestock farm to distribution is certified to qualify for the 'organic' label. Organic meat is also subject to specific requirements during meat processing by Van Loon Group.

### Ambition


We wish to offer our customers an extensive range of organic products, as far as possible from our own supply chain.

The overall volume of processed organic meat has been reducing slightly in the last few years. This is largely a result of the reduction in sales of organic beef. The proportion of pork remains virtually stable. The foremost reason is that consumers more often opt for a vegetarian alternative or an animal product with the 1 or 2-star Beter Leven quality label. In the coming years we are going to further extend our pork supply chain using closed Dutch businesses.

	2016	2017	2018	2019	2020
Externally purchased organic pork and beef (index: 2015 = 100)	130	158	238	229	212

## CSR THEME ANTIBIOTIC USE

**03** Good health and well-being



Contribution to SDG **3.8**

### Why is this one of Van Loon Group's CSR themes?

Livestock farmers give antibiotics as a curative treatment to their animals when they are ill. To prevent the transfer of antibiotic resistance to humans, antibiotic use for livestock should be reduced to a minimum.

### Ambition

Together with our livestock farmers and supply chain partners, we strive to minimise antibiotic use, whilst ensuring that animal welfare and food safety are not compromised.

### Boundaries

As certified supply chain manager, Van Loon Group implements the most stringent guidelines for the use of antibiotics and we monitor antibiotic use by the livestock farmers in our own supply chain.



Objectives for Antibiotic Use	Objective 2020	Results 2020	Objective 2025
DDDA over the whole year sows/suckling pigs*	< 3 DDDA	2.9	< 2.5 DDDA
DDDA over the whole year weaners	< 10 DDDA	14.7	< 9 DDDA
DDDA over the whole year fattening pigs	< 4 DDDA	3.6	< 3 DDDA

\*DDDA: Defined Daily Dose Animal This is the indicator used for the antibiotic use in a business. The DDDA is calculated as the sum of the treatable kilogrammes present at the business in the course of a year, divided by the average number of kilogrammes of animal currently present at the business. This measure demonstrates antibiotic use at business level and is used to benchmark the business.

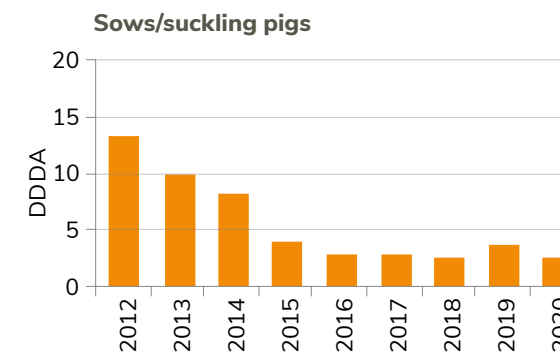
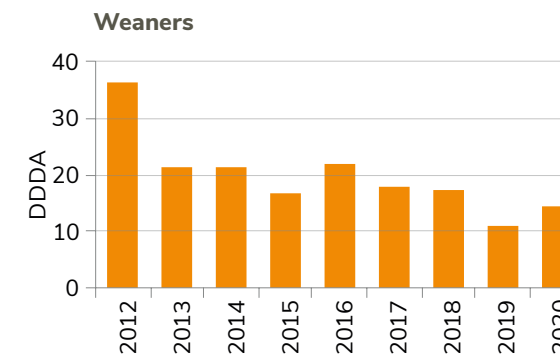
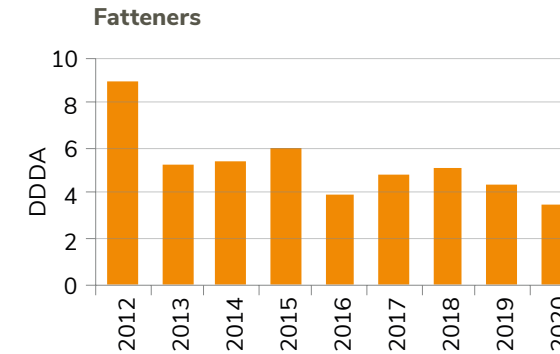
### 2020 Activities

As of 1 January 2020, we introduced an additional charge for salmonella and DDDA. This has undoubtedly ensured that farmers have gained more focus on antibiotic use and control of salmonella infections which we see reflected in our results. Antibiotic use has been reduced. We can also see improvements in salmonella numbers.

In our supply chain, we are actively promoting adoption of the HyCare management system. In 2020, three new businesses were HyCare certified, bringing the total to 12. These businesses represent over 8% of the total number of fattening pig numbers. Antibiotic use at these businesses is more than a third below average.

### Predictions for 2021

By the rolling out of our supply chain concept Pork at its Best, we are continuing to implement efficiency improvements for our pig farmers and animal health. Embedded in the concept, there is a prominent role of the Pig Advice Team (in Dutch, Varkens Advies Team). We expect this to lead to further reductions in antibiotic use.



## CSR THEME LOSSES AND FOOD WASTE

12 Responsible consumption and production



Contribution to SDG 12.3

### Why is this one of Van Loon Group's CSR themes?

A considerable percentage of the food that is produced is thrown away. This occurs at all levels of the supply chain: from sowing crops, in the production process up to and including storage by consumers. By reducing this waste, we can achieve significant environmental gains.

### Boundaries

Both losses in ingredients and other materials that are used in our own production process are included in this.

### Ambition

Van Loon Group is focussing on minimising losses of both ingredients and of other materials that are used in our own production process. We can achieve this by measures such as minimising microbiological infection of our end products, by increasing shelf life by methods such as precooking or freezing the product or by using alternative packaging methods.

	2017	2018	2019	2020*
Donation of final products to food bank (kg/year)	64,657	21,704	32,261	81,271

\*In the Covid year 2020, we intensified our collaboration with the Dutch food banks. To help their clients, we had several special actions, packaging and distributing over 80,000 kilo of end products to the Dutch food banks.

Since meat is an expensive product, our business operations are already focussed on limiting losses to a minimum, if only from a financial standpoint. However, due to the unpredictability of our sales pattern, particularly during special promotions in the retail channel, it sometimes happens that we produce more end products than we can sell. In that case we donate those products to the regional food banks.



### 2020 Activities

In the past year we ran several programmes to reduce production losses. On the one hand, simply from a financial viewpoint, but on the other, with the aim of minimising waste. These programmes are a compulsory part of the annual plan for site managers. Our sites share their experience to achieve the best possible result together.

### Predictions for 2021

From mid-2021, we will be phasing in a new planning tool. This is part of the MOTOR program, the complete replacement of Van Loon Group's ERP system. Using this new planning tool will allow better planning which will result in a reduction in losses. The ERP package will be completely rolled out by 2023.

## CSR THEME PROTEIN TRANSITION

12 Responsible consumption and production



Contribution to SDG 12.8

### Why is this one of Van Loon Group's CSR themes?

The global population is growing and average meat consumption is increasing (primarily in emerging economies). In the Netherlands, meat consumption is dropping but we do have an extremely intensive livestock sector. To lower the environmental pressure of our global food system, there needs to be a shift from consumption of animal-based proteins to plant-based proteins.



### Boundaries

This relates to production and sales of nonmeat products by Van Loon Group.

### Ambition

Van Loon Group wants to stimulate consumption of non-meat products by developing innovative non-meat or hybrid products that equal the meat experience.

### 2020 Activities

After the introduction of The Blue Butcher in 2019, things have progressed rapidly. Although our catering industry sales lagged behind our expectations due to the Covid-19 pandemic, sales within retail and for the export market have shown major growth. Our product range has also continued to develop. In addition to wheat and soya-based products, our dedicated R&D team has also developed products based on other natural ingredients.

### Predictions for 2021

In 2021 we are going to launch a new vegetarian product range on the market based on our newly-developed FiberFort fibre. The texture and taste of these unique products is similar to chicken products.

In addition, in the course of the year our production site in Almere will have been made 100% meat free and equipped as a dedicated non-meat business.



# Sander Krijnen, Research & Development Manager



answers 7 questions about making Van Loon Group products more healthy

## 1. What were the most significant trends and developments in food and health in 2020?

Trying to live a healthy lifestyle is still the most important trend related to food and health. Diet-related cardiovascular disease due to sugar and salt is still too common. The Dutch Food Retail Association (CBL) has made internal agreements to reduce salt in certain product categories in the meat sector, e.g., fresh quick-cook products such as sausages and hamburgers. We therefore spent a great deal of time in the last year on reducing sugar and salt in our products. To a lesser extent, there was a focus on lowering saturated fat levels.

Another important development is that the demand for allergen-free products continues to grow. This means that it is necessary to be able to indicate which of the major allergens are present and, if they are, how much. Vital 3.0 is the tool to help with this. The Nutri-score on packaging is also becoming more common. This score allows consumers to see how healthy the product is within the relevant product category.

The growth of non-meat continues to increase. People want to eat less meat, but that does not necessarily mean that these products are healthier. We are also developing hybrid products in which a part of the meat is replaced by vegetables. This may seem healthier, of course, but this is also something where you have to be careful not to use too much sugar and salt.

Finally, we saw a shift between clean label and clear label. Initially there was a desire to replace as many E numbers as possible with natural flavourings. Now people are interested in transparency as compared to an ostensibly 'clean' label. In other words, specifying exactly what the product does or does not include.

## 2. How do we integrate these developments into our products?

We are customer-driven. Every customer has their own requirements for food and health. We usually modify existing products, especially aimed at reducing sugar and salt. Sometimes it's related to reduction of E numbers. In addition, we have our own Van Loon Group health policy.

## 3. Are there other actions we take to make our products healthier?

Increased safety also means healthier. Controlling *Listeria monocytogenes*, for instance. Ready to eat products such as pre-cooked meat balls or chicken schnitzels should contain no *Listeria* because consumers may assume that they can eat them without heating. Measures to prevent *Listeria* include working cleanly and 'high care' packaging. By using certain additives, you can prevent any later contamination reaching dangerous levels. We use theoretical models to investigate if *Listeria* can grow in a product and to what extent. We then validate these models with so-called challenge testing. To this end, a product is artificially infected with *Listeria* and we then investigate what happens next, whether it remains controlled or continues to grow. All new products are tested in this way.

## 4. Do you believe it's possible to combine taste and health in processed meat products or meat substitutes?

In my view, they can go hand in hand, even though people naturally enjoy sugar and salt. That is the challenge: to use less sugar, less salt, fewer flavourings, yet to make the product just as tasty for the consumer. You start looking for alternatives such as experimenting with herbs and spices. It's more difficult to do the same for fat, but it is possible.



It is even more difficult for non-meat. We want a product that tastes as much as possible like meat. This means we need to use more additives to equal the flavour of natural meat because we have experience of meat and meat tastes better naturally.

## 5. Do our customers have specific health-related requirements for the products we make for them?

In fact, all customers have their own specifications related to health. Certain customers, for instance, only want a maximum of three E numbers in a raw meat product. We had already changed some products to a clean label showing absolutely no E numbers on the label. Now we are returning to transparently including E numbers, i.e., clear label. In addition, many of our customers have their own norms for allergens and have maximum norms for sugar and salt content.

## 6. What are our objectives for the coming years related to making our products healthier?

Our objectives will be particularly focussed on controlling allergens so that the maximum permitted level of certain allergens is fixed. That makes it clear to anyone with an allergy which of our products they can eat without any problems. One of the issues with this is that you are partially dependent on your suppliers. Suppliers of herbs and spices, for instance, also need to provide accurate information.

## 7. What do you see as the biggest challenge for the coming years in relation to making our products healthier or to how our products can contribute to a healthy lifestyle?

The greatest challenge is non-meat products. Currently we still need a relatively large number of additives to achieve a good flavour, to mask the flavour of the plant-based ingredients and to achieve a meat flavour. The goal is to be low in sugar, salt and saturated fats and yet be just as flavourful and nutritious.



# Sustainable production



We have the ambition of being the most sustainable business in our sector. In the past year we have been working hard on this and implemented various improvements to make our business much more sustainable. Examples are renewal of the roof insulation at our sites in Almere and Nuth, installation of solar panels at our site in Best, reduction of packaging materials by switching to skin cardboard in Beilen, replacement of lighting with LED lighting in Best and Almere.

We have also continued our recycling programme with Solid Circle. This involves sustainably removing our old IT equipment or sending it to be reused elsewhere. Working from home and working online via Teams was introduced. There was therefore less travel required and hence lower carbon emissions produced.

## AMBITIONS

- Using only energy from renewable sources
- Continually working towards energy and water savings
- Lowering of non-recyclable waste
- Making maximum use of recyclable or compostable packaging materials
- Lowering our carbon footprint

## CSR THEME WATER

06 Clean water and sanitation



Contribution to SDG 6.4

### Why is this one of Van Loon Group's CSR themes?

A great deal of water is required for the meat production process, particularly for cleaning packaging, machines and production areas. This water has to be purified and transported, using a great deal of energy.

### Boundaries

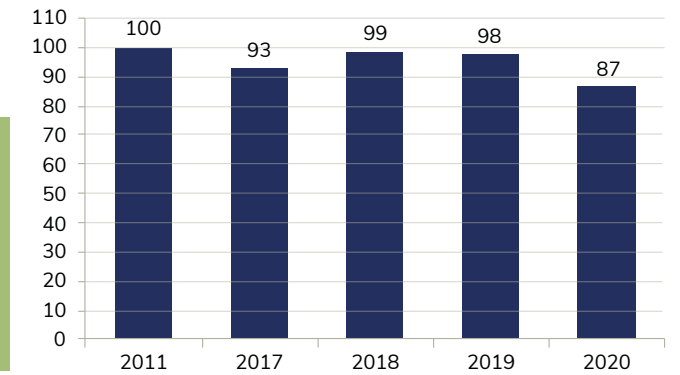
This refers to water usage within Van Loon Group production sites.

### Ambition

We strive to minimise both water usage (volume) and water contamination level.

### Water usage: m<sup>3</sup> per tonne of products sold

Index: 2011 = 100



We strive to reduce our water usage by 1% per annum per externally sold kilo. We also want to lower the contamination level in our process water. In 2021 new pre-filtration equipment will come into service at Meat Friends in Best to pre-filter process water, hence lowering our contamination units produced.





## CSR THEME SUSTAINABLE ENERGY GENERATION & ENERGY EFFICIENCY

07 Affordable and clean energy



Contribution to SDG 7.2  
7.3

### Why is this one of Van Loon Group's CSR themes?

Fossil fuels are finite and climate change is a major societal problem. In the context of the energy transition, it is crucial that we continue to reduce our use of fossil fuels.

### Boundaries

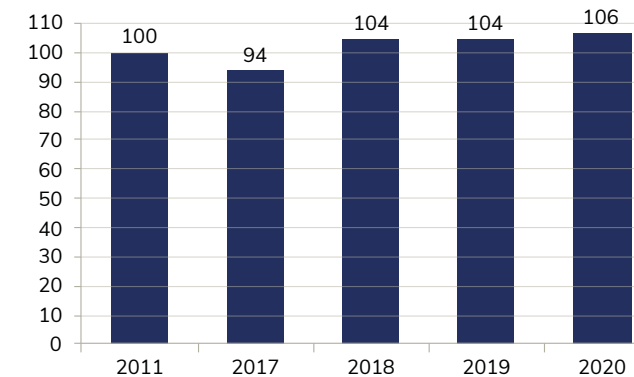
Electricity and gas usage at Van Loon Group production sites.

### Ambition

Van Loon Group aims to have lowered its energy intensity by 5% in 2030 compared to 2020 and aim for our energy to come from 100% renewable sources.

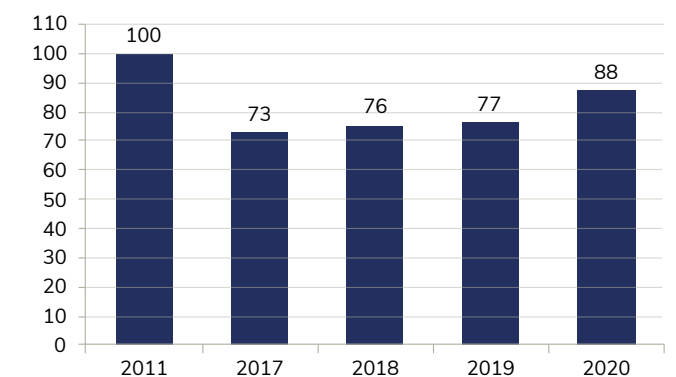
### Electricity usage: kWh per tonne of products sold

Index: 2011 = 100



### Gas usage: m³ per tonne of products sold

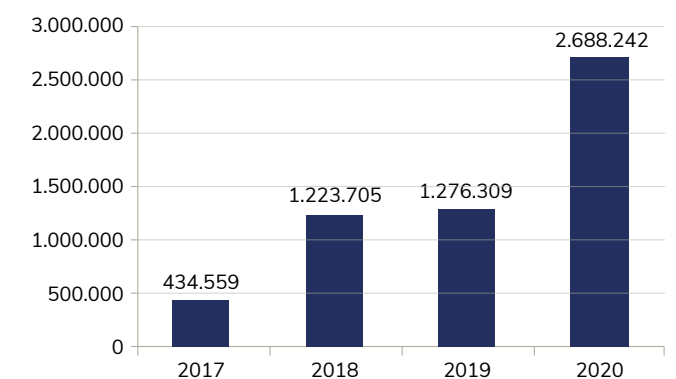
Index: 2011 = 100



The increased usage of electricity and gas per kilo of products sold was caused by the acquisition of Van de Raa Meat & More in Almere in 2018 and Enkco in Holten in 2019 resulting in a major increase in the proportion of processed and cooked products in our total range. The production of these products requires more energy, especially for cooked products, hence the energy intensity has risen.

Amount of self-generated electricity 2020: 2,688,242 kWh. This is 6.2% of our total usage. 5 sites now have a PV system (Son, Best (2x), Eersel, Roosendaal)

### Electricity generated (kWh)



## CSR THEME WASTE

06 Clean water and sanitation



Contribution to SDG 6.4

### Why is this one of Van Loon Group's CSR themes?

Meat production and packaging creates a great deal of waste, especially packaging materials. In the context of finite resources, an increasingly circular method of production is desirable in which the creation of non-recyclable waste is minimised.

### Boundaries

This refers to the creation of non-recyclable waste at Van Loon Group production sites.

### Ambition

We strive towards minimising the creation of non-recyclable waste in our production process without compromising food safety.



We have recycled 78.1 tonnes of backing paper from labels (+36.1 ton compared to 2019). This produced a saving of 152 tonnes of CO<sub>2</sub> (+67 tonnes compared to 2019).

The majority of our waste is created by packaging material and disposables used in our production process. In order to

minimise this, we collect cardboard and clean plastic for recycling at all our sites. In addition, in the past year we have taken a critical look at how we can reduce use of disposables (disposable gloves, aprons, sleeves) without compromising the food safety of our products.



## CSR THEME PACKAGING MATERIALS

12 Responsible consumption and production

Contribution to SDG 12.5

### Why is this one of Van Loon Group's CSR themes?

Packaging meat is important to guarantee a high degree of food safety. Conversely, plastic waste contributes to exhaustion of resources and puts great pressure on the environment.

Virtually all our trays are made of rPET, consisting of 60-65% recycled material. Hence new raw materials are not required and we reduce CO<sub>2</sub> emissions.

### Boundaries

Van Loon Group packages its products for quality and product safety reasons. This applies to both to semi-finished products and end products.

In addition, together with our suppliers, we strive to use the minimum amount of material in our packaging. Naturally, this is without any negative effect on the desired protection standards required for our products.

### Ambition

We strive to minimise environmental impact by minimising the use of non-recyclable packaging materials and attempting to use as many recyclable materials as possible, without compromising food safety.

In the past year Meat Friends North has switched from normal skin pack packaging to FlatSkin packaging in which the plastic tray is replaced by a cardboard carrier. This considerably reduces the amount of plastic used.



### Organic waste flows (fat/sludge waste)

	2017	2018	2019	2020
Bio-energy generated from organic waste flows (kWh)	573,000	714,600	924,200	924,720
Reduction in CO <sub>2</sub> emissions (tonnes)	409	510	659	659

A great deal of energy is required to make our end products while safeguarding food safety and high quality. We primarily use electricity in the production and cooling of our products (milling, mixing, shaping, slicing and packaging). For heating our products (boiling, frying, pasteurisation) we mainly use gas because this has a higher energy efficiency.

Our goal is twofold: on the one hand we strive to lower the energy intensity. This means that we need less electricity or gas per externally sold kilo of product. On the other hand, we want to obtain as much as possible of the energy we use from renewable sources. This is achieved by generating some of our electricity ourselves using PV systems and by buying green energy externally.

### 2020 Activities

In Almere the roof was replaced with improved insulation. In addition, the lighting at several departments in Almere was replaced by LED lighting. As the Holten site was closed, production now takes place at fewer sites, thus the energy demand per kilo of products will be reduced. In Best, the area lighting was replaced by LED lighting in the cooking and packing departments. At Meat Friends in Best, we brought the PV system into operation.

### Predictions for 2021

From 2021, half of the electricity we buy externally will be covered by a Dutch Guarantee of Origin. In addition, our existing energy saving plans will be continued.

## CSR THEME GREENHOUSE GAS EMISSIONS



### Why is this one of Van Loon Group's CSR themes?

Climate change caused by greenhouse gas emissions is currently one of the most pressing environmental issues and will remain so in the years to come. Our production process causes greenhouse gas emissions. We therefore have an obligation to contribute to complying with international agreements in this area.

### Boundaries

To calculate our carbon footprint, we take into consideration our own activities. This relates to scope 1: direct carbon emissions arising from our own organisation's sources. This includes the emissions from our own buildings, transport and production-

related activities. Also scope 2: indirect carbon emissions arising from generation of purchased electricity or heat.

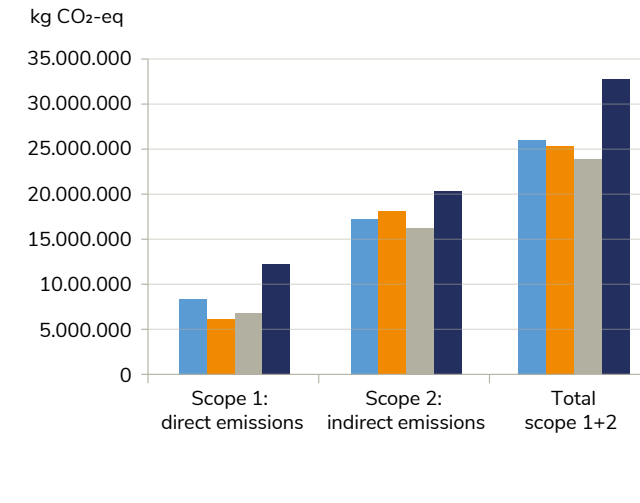
### Ambition

We strive to meet the climate goals of the Paris Agreement for scope 1 and 2. We realise that the largest carbon footprint of meat production is created 'upstream' during cultivation of livestock feed and in livestock living quarters. As certified supply chain manager we collaborate with livestock farmers and other partners in the supply chain to also reduce the carbon footprint in the entire supply chain.

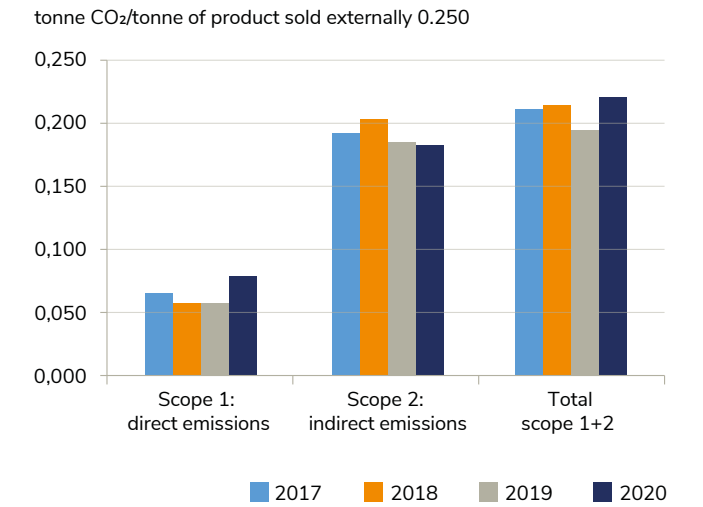
Greenhouse gas emissions objectives	2017	2018	2019	2020	Doel 2020	Doel 2025
Greenhouse gas emission intensity scope 1, direct emissions	0.068	0.059	0.060	0.082		
Greenhouse gas emission intensity scope 2, indirect emissions	0.144	0.154	0.135	0.135		
Greenhouse gas emission intensity scope 1+2	0.212	0.213	0.195	0.217	0.191 <i>-/-10% compared to 2017</i>	0.159 <i>-/-25% compared to 2017</i>

In tonnes of carbon eq/tonne externally purchased product

### Absolute greenhouse gas emissions



### Greenhouse gas emissions intensity



### Explanation

The increase in absolute greenhouse gas emissions is due to the expansion of the number of locations and production volume.

- 2017: 9 locations (Son, Best (3x), Eersel, Hapert, Oudewater, Roosendaal, Beilen)
- 2018: 9 locations (Son, Best (3x), Eersel, Hapert, Oudewater, Roosendaal, Beilen)
- 2019: 9 locations (Son, Best (3x), Eersel, Almere, Oudewater, Roosendaal, Beilen)
- 2020: 11 locations (Son, Best (3x), Eersel, Almere, Oudewater, Roosendaal, Beilen, Holten, Nuth)

### Activities 2020

The increase in greenhouse gas emission intensity is entirely due to a number of large leaks of cooling medium in Roosendaal and Nuth (scope 1). In Roosendaal the installation has since then been retrofitted. In Nuth, this will take place in 2021. In 2020, the spiral freezer in Almere will be replaced by a spiral freezer with a natural cooling medium (NH<sub>3</sub>).

### Outlook 2021

From 2021, half of the electricity purchased will be with Dutch green certificates. In 2021, the cooling installation in Nuth will be replaced by a new installation with a natural refrigerant (CO<sub>2</sub>).



# Research into the CO<sub>2</sub> footprint of our pig farms



The first step that Van Loon Group has taken in order to steer even more towards sustainability is to make an inventory of the greenhouse gas emissions of the affiliated pig farms in order to be able to visualise the CO<sub>2</sub> footprint of pork production. Pig farms emit, as shown in Figure 1, carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) as well as nitrous oxide (N<sub>2</sub>O). The total of these three greenhouse gases is taken together to create a CO<sub>2</sub> footprint. Roughly speaking, there are 5 emission items within pig farming: (1) livestock intestinal fermentation, (2) feed, (3)

electricity, water and gas, (4) manure and (5) transport.

In collaboration with two project groups from HAS University of Applied Sciences in Den Bosch, a baseline measurement of the CO<sub>2</sub> footprint of 38 pig farms was carried out in 2019 and 2020. From the birth of a piglet to its delivery to the slaughterhouse, all factors that influence the CO<sub>2</sub> footprint have been scrutinised.

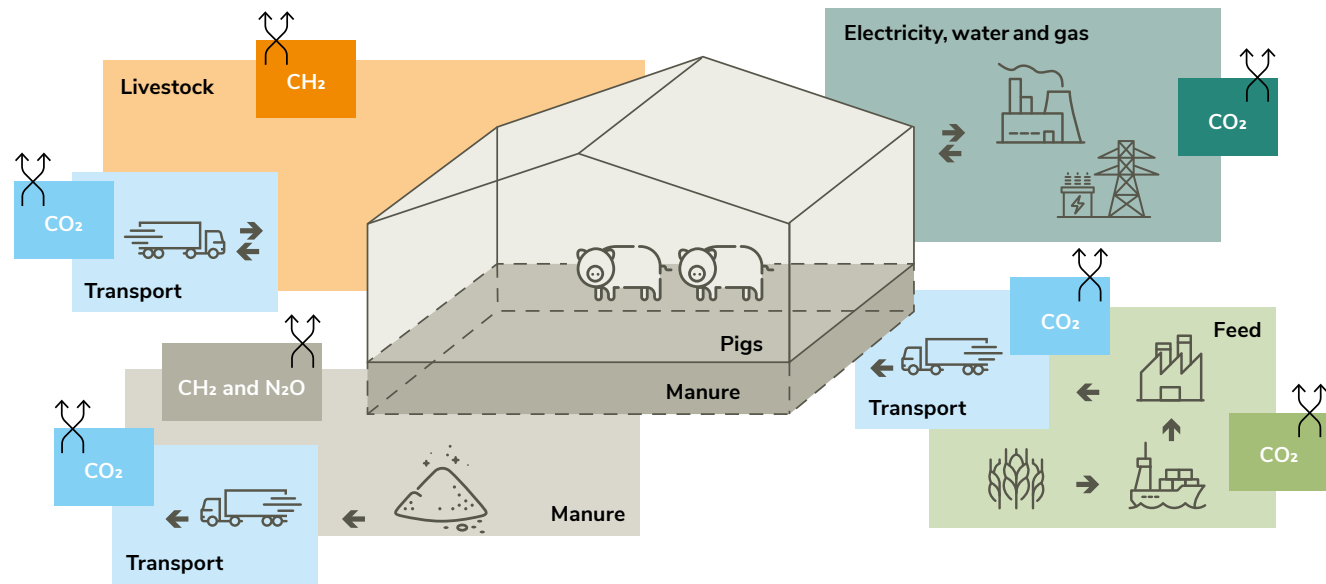


Fig.1: Sources of emissions from a pig farm

## Background

Van Loon Group has included sustainability in both its vision and its ambition. As chain director, Best Star Meat is responsible for guaranteeing quality in the production chain. Quality does not only mean food safety but also animal welfare and sustainability. Measuring sustainability performance is becoming increasingly important. Sustainability is therefore an important part of the new supply chain concept: the 'Varken op z'n Best' (Pig at its Best) (VOB).

errors, trial productions and production losses. Because these raw materials are not grown specifically for the production of animal feed, but are released during the production of human food, they have a lower impact on the environment. In addition, the products require less processing before they can be fed to the pigs and these residual flows are often available regionally, which means fewer transport movements are needed. In order to reduce the CO<sub>2</sub> footprint, the use of more sustainable compositions and sources of raw materials for current animal feed can be considered, as well as increasing the share of circular raw materials in the animal feed. However, the availability of residual flows and the effects on a company's feed costs must be taken into account.

Based on internationally recognised calculation rules, the PorkPrint tool was built to compare the results.

By means of interviews, all data was collected serving as input for the PorkPrint tool; this includes technical indicators of the farm, water, gas and electricity consumption, the composition of the pigs' feed, transport movements, and manure production and storage/processing/disposal.

## Emission item manure

Manure contains all kinds of decomposition and digestion processes that emit greenhouse gases. The vast majority of these gases are methane (CH<sub>4</sub>) and a small proportion is nitrous oxide (N<sub>2</sub>O). The project has shown that the longer the manure is stored, the more volatiles are converted into methane and thus the higher the CO<sub>2</sub> footprint. It appears that when the manure is stored in the manure pit for less than a month, the emission of greenhouse gases is the lowest. More frequent removal of manure (daily manure removal) or processing of manure are therefore possible measures to reduce a company's CO<sub>2</sub> footprint. Source control, through the direct separation of manure and urine, is also a possibility for the reduction of greenhouse gas emissions from manure. In 2021 a new project will start in which the reduction of methane emissions from manure will be further investigated.

## Results

Figure 2 shows the average CO<sub>2</sub> footprint per business type. This shows that the emission items feed and manure have the greatest impact on the CO<sub>2</sub> footprint of a company, with an average share of 60-65% and 20-25% respectively.

## Emission item feed

Liquid feed companies score considerably better than dry feed companies: a fattening pig farm with dry feed has a CO<sub>2</sub> footprint of 2.33 kg CO<sub>2</sub>eq./kg live weight, while a fattening pig farm with liquid feed has a CO<sub>2</sub> footprint of 1.37 kg CO<sub>2</sub>eq./kg live weight. Many residual flows and co-products from the food industry, retail and catering are processed in liquid feed. These products are created as a result from cutting waste, production

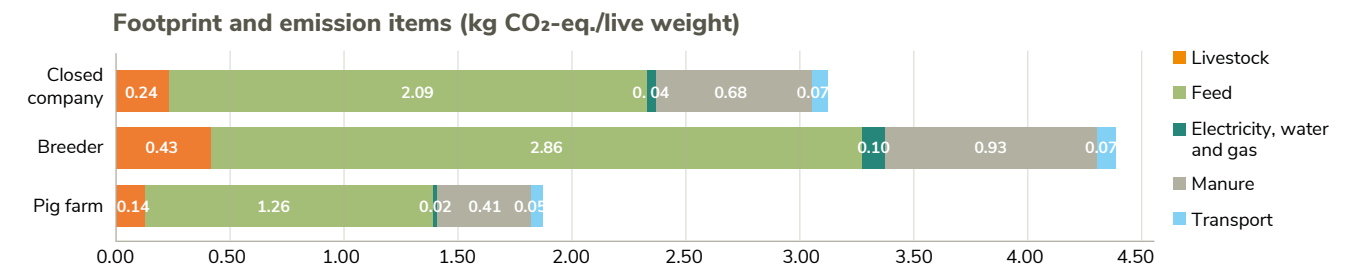


Fig. 2: Average CO<sub>2</sub> footprint per type of pig farm, divided into emission items: livestock, feed, electricity, manure and transport.

# René Nederpelt, Food processor



## answers 7 questions about the work of Voedselbanken Nederland (Dutch food banks)

### 1. What is the purpose of the food bank?

Actually, the food bank has two objectives that coincide nicely. On the one hand we want to combat waste and on the other we try to help the poorest. This is a perfect combination, as food that would otherwise be wasted is now put to good use. Every week we serve 40,000 customers or households, which amounts to 100,000 people.

### 2. What is your role within the food bank?

Voedselbanken Nederland is an umbrella association consisting of 170 independent regional food banks. There are a number of central tasks and one of them is food acquisition. I am 1 of about 10 volunteers doing this at a central level. Food acquisition also takes place locally. We focus on the nationally operating players. We make agreements with the major retailers, A-brand players or with companies like Van Loon Group. This year we expect to distribute 70 million products, 60% of which will be collected nationally and 40% locally.



A division of roles has been agreed upon in our team. I focus on animal protein. This is of course not strictly separated, the one who has the best contacts with a certain stakeholder, approaches that stakeholder.

### 3. Can you tell us something about the way the food bank works?

You have to be really struggling before you can apply for packages from the food bank. We have an intake interview with everyone. We have 550 distribution points nationwide, making us the 3rd largest supermarket chain in the Netherlands, if you were to compare it like that. Only with us it's the opposite. We're the only supermarket that wants to get smaller, we want to shrink. It's a pity we have to be there, but we are very happy with companies like Van Loon Group who want to help us. And that there is a focus on those who are struggling in this world.

### 4. Have you received more customers at the food bank because of the Covid-19 crisis?

Yes, the number of customers has increased by 15% due to the Covid19 crisis and that could go up to 50%. This is a concern, because on the other hand we face a problem with a decrease in the number of products offered. Until about three years ago, we were offered products almost automatically. Because of a strong focus on reducing waste in retail and companies are producing more and more efficiently, little remains for the food banks. Producers are more closely monitoring the prevention of waste. This means we need to source much more actively and approach producers more proactively.

### 5. What impact does the corona crisis have on volunteers?

Around 13,000 people work at the food banks on a voluntary basis, some for 60 hours and others for 10. They are often people who are already retired, so are often a bit older. This makes them part of the Covid-19 risk group. This is why a number of people have temporarily stopped working for safety

reasons, despite all the measures we have taken against Covid-19. Unfortunately, a number of people fell ill. However, it has also led to the recruitment of younger volunteers. Now it's pretty much stabilised again. We are now getting ready for the period ahead. The worst is yet to come when government support is withdrawn and companies can no longer survive as a result.

### 6. How did you come into contact with Van Loon Group?

I have known Erik and Roland van Loon for a long time, because I knew their father Jos van Loon very well. At Easter Erik had already offered us 55 tonnes of meat (beef and pork). Then at the end of October I called Erik

again and asked if we could talk about a structural cooperation. He was open to this immediately.

### 7. How much food did Van Loon Group donate to the food bank?

In total, Van Loon Group donated some 200 tonnes of meat and 17,000 trays of vegetarian products from The Blue Butcher to the food bank. Meat Friends Best, part of the group, donates meat to the Eindhoven food bank every week. This will enable us to supply meat to over 26,000 families for a whole quarter. We are also very happy with the vegetarian products because we are seeing an increase in demand among our customers for these products. If you ask me, it tastes like more.



# Chain Management and Animal Welfare

We are a chain director, and it is on the basis of this responsibility that we continually work to increase animal welfare and make the chain more sustainable. This is why we developed 'Varken op z'n Best'. With this concept we take an extra step in terms of sustainability and animal welfare compared

to the Dutch 'Beter Leven Keurmerk'.

It is our ambition to further roll out this concept within our chain in cooperation with our suppliers and customers.

## CSR THEME VALORISATION OF SUSTAINABLE PRODUCT

02 Zero hunger



Contribution to SDG 2.3

### Why is this a CSR theme for Van Loon Group?

The production of the meat that Van Loon Group sells provides a source of income for many farmers. A fair distribution of value in the supply chain is important. Sustainability measures on the farm or at other supply chain partners must be able to be paid off in a better price for the product

### Demarcation

The price Van Loon Group pays to livestock farmers and other supply chain partners in its own supply chain.

### Ambition

The price Van Loon Group pays to its livestock farmers indirectly depends on the willingness of the customer to pay a fair price for sustainable food. We work on innovative market concepts in cooperation with our customers and supply chain partners, whereby the additional costs or savings are fairly distributed across the supply chain.

- All livestock farmers in the supply chain receive a fixed surcharge per animal delivered under the Beter Leven Keurmerk. The surcharge is based on the number of stars. The sustainability measures taken by the farmer in terms of animal welfare therefore pay off in a better price for their product.
- For pig farmers this is a fixed surcharge per pig. For cattle farmers, the sustainability surcharge is included in the price. This is because the price of cattle is less volatile than pork.



## AMBITIONS

Working with livestock farmers and other stakeholders to:

- Improve animal welfare
- Reduce CO<sub>2</sub> footprint
- Improve quality
- Increase supply chain transparency
- Improve health and reduce the use of antibiotics

### Activities 2020

In 2020, we introduced 'Varken op z'n Best' (VOB). For pig farmers who participate in VOB, new supply chain surcharges have been introduced that they can earn for their efforts in the areas of CO<sub>2</sub> footprint, health and quality. For the time being, these extra supplements are paid by Van Loon Group. We see this as an investment to make the supply chain more sustainable, more transparent and of better quality.

### Outlook 2021

Together with our customers, we continue to strive to make the supply chain more sustainable and to translate the results of our efforts into higher yields for the supply chain partners.

## CSR THEME ANIMAL WELFARE

12 Responsible consumption and production



Contribution to SDG 12.2

### Why is this a CSR theme for Van Loon Group?



Animal welfare receives a lot of attention from consumers and society. As a meat producer and supply chain director, Van Loon Group has an influence on animal welfare in livestock farming, transport and slaughter.

### Ambition

Van Loon Group aims to source as much meat as possible from certified animal welfare programmes. This fits within the sustainability policy of Van Loon Group and is actively promoted to its customers.

### Demarcation

It concerns the supply chain partners from Van Loon Group's own supply chain and the products that Van Loon Group purchases under certified animal welfare programmes.

	2016	2017	2018	2019	2020
 Quantity of processed beef with 1/2/3-star Beter Leven Keurmerk (index: 2013=100)	1,417	1,907	2,592	3,011	4,055
 Amount of processed pork with 1/2/3-star Beter Leven Keurmerk (index: 2012 = 100)	737	851	1,132	1,214	1,269

Number of pig farmers BLK 1-star total	286 (-/-3)
Number of cattle farmers BLK 2-star total	164 (-/-3)
Number of cattle farmers BLK 3-star total	5 (-/-7)



altijd beter

### Activities 2020

Apart from the fact that all our livestock farmers in the supply chain at least meet the criteria of the Beter Leven Keurmerk, we have several projects to further improve animal welfare. At two pig farms the pigs are no longer docked and at other farms pilots are being run with more space for the pigs, more distraction material and free-range farrowing crates.

### Outlook 2021

The various pilots will continue to be monitored in 2021. The results are shared with the other supply chain partners. In consultation with our customers, these subjects may become part of 'Varken op z'n Best' in the future.



## CSR THEME LOCAL ORIGIN

12 Responsible consumption and production



Contribution to SDG 12.2

### Why is this a CSR theme for Van Loon Group?



An organisation can have a positive impact on the local community by providing employment, contributing to the social infrastructure and purchasing locally as much as possible. Consumers are also attaching increasing importance to the local origin of products.

### Demarcation

All goods and services which Van Loon Group processes and uses.

### Ambition

Van Loon Group works towards a short supply chain from livestock farmer to consumer. But we also buy other goods and services as locally as possible. Van Loon Group also strives to minimise any inconvenience caused by its activities to the immediate surroundings.

	2019	2020	delta	
	Average distance pig farmer/slaughterhouse NL	76.5 km	73.1 km	-/ - 3.4
	Average distance pig farmer/slaughterhouse BE	106,0 km	105.5 km	-/ - 0.5
	% of pig farmers <200km from NL slaughterhouse	100%	100%	-
	% of pig farmers <200km from BE slaughterhouse	99%	100%	+1%
	Average distance 2-star cattle farmer /slaughterhouse NL	111.6 km	112.7 km	+1,1
	Average distance 2-star cattle farmer /slaughterhouse BE	106.7 km	104.1 km	-/ - 2.6
	Average distance 2-star cattle farmer /slaughterhouse FR	55.2 km	59.5 km	+4.3
	% of cattle farmers <200km from NL slaughterhouse	90%	88%	-/ -2%
	% of cattle farmers <200km from BE slaughterhouse	98%	100%	+2%
% of cattle farmers <200km from FR slaughterhouse	100%	100%	-	

To measure the distance, we use the route planner of Google Maps in which the shortest route is chosen.





## CSR THEME TRANSPARENCY & PRODUCT INTEGRITY

12 Responsible consumption and production

Contribution to SDG 12.8

### Why is this a CSR theme for Van Loon Group?

Consumers want information about the origin of their food and often have little knowledge of how their food is produced. In the past, malpractices have taken place in the meat sector regarding origin. Insight into social and ecological issues in the supply chain can convince consumers to opt for sustainable production.

### Demarcation

Van Loon Group contributes to open communication about the origin of its products. This concerns the entire supply chain from farm to fork.

### Ambition

As supply chain director, we strive to promote transparency in our supply chain. Together with suppliers, we are working to ensure that our products are 100% traceable and that this information is easily available to consumers. Product integrity must be 100% correct at all times.

### Activities 2020

Last year, Verhey Vlees was again FSSC certified. All our other production locations have obtained their IFS Higher Level certificates. The aim is for Verhey Vlees to be certified in accordance with this standard too. Checking product integrity and tracing are standard parts of this. Internal audits and traceability checks also ensure that this is continuously monitored. Our Code of Conduct and other measures actively encourage employees to report deviations.

### Outlook 2021

One of the components of 'Pig at its Best' is the creation of a data platform to make the activities in the supply chain more transparent. In 2021, Van Loon Group wants to implement a blockchain for this purpose. This blockchain records all transactions related to the pig. This includes data in the areas of nutrition, medicine use, transport and slaughter. This blockchain will contribute to making the supply chain even more transparent.

## CSR THEME SUSTAINABLE SOY AND PALM

13 Climate action

Contribution to SDG 13.3

### Why is this a CSR theme for Van Loon Group?

The cultivation of soy, palm and palm oil often goes hand in hand with deforestation and loss of biodiversity. Since soy and palm are used in animal feed and excipients, Van Loon Group can contribute to combating deforestation and the loss of biodiversity by setting sustainable requirements in its purchasing.



### Demarcation

Soy, palm and palm oil in animal feed which is used in our own supply chain and as an ingredient in our purchased herbs and auxiliary substances.

### Ambition

The soy, palm and palm oil used in the animal feed and as an ingredient in our products are entirely sustainable (RTRS/RSPO or equivalent).

The 'Varken van Morgen' (Pig of Tomorrow) label guarantees that only sustainable (RTRS) soy is used in the feed. In addition, Van Loon Group has stipulated in its purchasing requirements that the soy used in spices and auxiliary materials must meet the RTRS criteria and for palm and palm oil the RSPO values.



# Pig farmer Govert Frederix



## answers 7 questions about his company and 'Varken op z'n Best'

'Varken op z'n Best' (Pig at its Best) (VOB) is the innovative supply chain concept of Van Loon Group to increase the quality of pork and make the supply chain transparent, sustainable and manageable.

Govert Frederix is one of the first pig farmers to join Varken op z'n Best. From two locations, he and his family business supply pigs to Van Loon Group. Together with his wife Susanne they look after almost 8,000 fattening pigs every day.

### 1. Why did you choose 'Varken op z'n Best'?

Our company was relocated a few years ago, and the decision was taken to expand in the sense of 'Beter Leven/ Varken van morgen'. The requirements of 2025 regarding daylight and group size have been applied within our company. This gives the pigs a better life. This meant that looking for a supply chain organisation with similar requirements made sense. It appealed to us how Van Loon Group approaches the supply chain and how they want to present it externally. The transparency that they want to achieve in the supply chain, such as openness about the CO<sub>2</sub> footprint, is a good thing. We believe that consumers will appreciate this transparency, which will ultimately lead to a more positive image for the sector.

### 2. What improvements have you experienced so far in your business operations and what challenges remain?

The VOB supply chain has so far made working more fun and challenging. The challenge of serving new customers and suppliers, and tinkering with the business making it optimal within the requirements of 'Varken op z'n Best'. One of the challenges is to make the weights of our piglets, uniform. The aim is to supply fattening pigs that are almost the same weight. This is something we can improve upon.

We have also changed our feed supplier within the framework of VOB in order to comply with the supply chain requirements. Now we need to arrange everything with the new supplier.

### 3. Why are VOB pigs healthier?

We work together with all partners in the supply chain, which means that the veterinarian, feed supplier, breeding organisation and processor are much more closely involved in the business. By working with uniform methods, the pigs are healthier and as a result we need fewer antibiotics. The ultimate goal is antibiotic-free pigs.

### 4. Do VOB pigs have a better life than other pigs?

VOB pigs with a 1-star Beter Leven quality label have a better life in terms of nutrition, health and living space than traditionally housed pigs. For example, they have a bigger surface area to move around in than traditional pigs. Their diet is also better adapted to their needs.

### 5. What does a transparent supply chain mean to you?

For me, transparency means openness about how we feed our pigs, their health and what the underlying genetics are of a specific pig. All stakeholders in the supply chain must have insight into this, including consumers.

To me, this makes perfect sense because as a livestock company we have nothing to hide. I would like to see visible communication on the packaging to consumers in the near



future to the effect that the VOB pigs have a lower footprint and therefore lower CO<sub>2</sub> emissions.

### 6. Are you getting a better price for your pigs now?

Because all the links in the supply chain are connected, we can meet the high requirements in terms of nutrition, health and genetics. This creates a better revenue model.

### 7. Do you think consumers are willing to pay more for VOB pork?

I hope consumers will be willing to pay more as they come to appreciate circular agriculture more. The transparency we provide will hopefully give them insight into this. We have one liquid feed company. The feed of the pigs is composed of, among others, by-products left over from the production

of cheese such as cheese whey or steam peels left over from the production of fries. We have 6 tanks for by-products, 3 silos for grains and 3 silos for different feeds. There are 10 components in 1 kind of feed.

The feed supplier is responsible for the pigs' menu. This fits in perfectly with VOB because the footprint of liquid feed is much lower. We use residual streams and therefore need fewer grains and soya from South America. In my opinion, this is the story the consumer needs to hear to create a real appreciation for circular agriculture.



## CSR THEME TRAINING & EDUCATION OF EMPLOYEES

**04** Quality education  
  
 Contribution to SDG 4.4

### Why is this a CSR theme for Van Loon Group?

The training and education of our employees is essential to ensure our products and processes meet the quality standards. It is also important for the general development of our employees. In addition, many people working at Van Loon Group don't speak Dutch and mutual communication is important for good cooperation.

### Demarcation

Principally, this involves all employees of Van Loon Group with a permanent contract, but in a number of areas it also involves flex-workers.

### Ambition

We strive to provide all our employees with the training and education they need to perform their jobs to the best of their abilities.

	2015	2016	2017	2018	2019	2020	Totaal
Number of employees who received a certificate for Campus in the year	75	98	39	85	73	168	538
Number of employees who received a certificate for Dutch classes in the year	20	26	14	51	128	61	300



# Welfare and Safety Employees



2020 was largely dominated by the Covid-19 pandemic. From the beginning of the crisis, Van Loon Group took extensive measures to protect the health of our employees as much as possible. And in doing so, limit infections among employees as much as possible. We worked with:

- a health check at the entrance;
- wearing face masks;
- weekly preventative testing of our employees for corona;
- the implementing Corona Chiefs;
- strict guidelines with regard to transport rules for commuting;
- additional hygiene measures;
- continuous communication about this to our employees.

## AMBITIONS

- **We are working towards being in the top 3 Best Employers.**
- **0 Accidents resulting in absenteeism**
- **Absenteeism <4%**
- **Well-trained employees**
- **Healthy and satisfied employees**

### Activities 2020

For everyone, 2020 was the year that was dominated by Corona and the uncertainty this brought with it, this was no different for the theme of Education. Nevertheless, we still achieved some good results. In recent years, with some regularity, a group of employees signed up for the Meat Knowledge course at SVO in Best. In 2020, for the first time, we organised this with our own colleagues. This was a nice challenge for the trainers in addition to their regular work. The reactions from the participants were very positive. We were also introduced to Virtual classroom learning, which allowed several Dutch classes to continue. As a result, in December employees passed the C1 level, the highest level we offer at Van Loon Group. A great achievement! Other types of training, including the Practical Leadership course, also took place via online and offline meetings. The participants were sceptical at first, but after experiencing it, the reactions were very positive.

Of course, online teaching has its limitations but it also offers

new possibilities. We are going to make more use of this in 2021.

### Vooruitblik 2021

A plan was developed in 2020 to provide a day release company study programme within the group. Because of this, we will be starting a day release company study programme in September 2021 to obtain an accredited MBO diploma (level 3) Process Operator B in two years. This course offers employees a unique opportunity to combine work with education and to develop further in the technical field. This will allow the organisation to better respond to innovative technology and the corresponding Operators in the future. In addition, we will continue to develop workplace training within the Van Loon Campus, ensuring employees are well trained and can continue to grow. The Van Loon Campus also keeps progressing by adding new content. For example, the modules 'Lifting' and 'A good (home) workplace' were already added in 2020.

## CSR THEME DIVERSITY & EQUAL OPPORTUNITIES

08 Decent work and economic growth



Contribution to SDG 8.5

### Why is this a CSR theme for Van Loon Group?

Traditionally, the meat sector has employed mostly men. However, employees with the same skills should have the same opportunities regardless of their age, gender, race, nationality or religion. A diverse organisation also produces better results.

### Demarcation

This concerns employees in all departments and at all levels within the organisation.

### Ambition

Van Loon Group strives for an optimal male/female ratio in the different layers of the organisation.



	2017	2018	2019	2020
% male entire Van Loon Group	64%	60%	60%	58%
% female entire Van Loon Group	36%	40%	40%	42%
% male Office			51%	55%
% female Office			49%	45%
% male production			62%	61%
% female production			38%	39%
Average age of men	41.0	41.0	42.5	42.4
Average age of women	38.0	38.0	39.6	38.3



Within the Van Loon Group, no distinction is made between men and women. All vacancies are open to both men and women. When recruiting and selecting new employees, we look for the most suitable candidate, but always strive for the best possible ratio of men to women when putting together a team.

## CSR THEME CONTINUITY AND JOB SECURITY

08 Decent work and economic growth



Contribution to SDG 8.8

### Why is this a CSR theme for Van Loon Group?

A sustainable relationship between employer and employee and the prospect of continuity of work gives employees confidence and security.

### Ambition

Van Loon Group's strategy is aimed at achieving sustainable, profitable growth for the organisation. By working on this together with our employees, we can also ensure the continuity of the company.

### Demarcation

A sustainably managed and financially healthy company ensures continuity of employment. Van Loon Group can offer a certain degree of security to its employees through employment conditions.



	2018	2019	2020
Average number of employees in FTEs including flex workers	1,912	1,843	2,088
Total number of employees at year-end	991	1,023	1,144
Average number of employees on temporary basis	974	873	1,013
% of employees covered by a CLA	100%	100%	99.6%
% of employees on a temporary basis covered by a CLA	100%	100%	100%
Number of own employees with permanent contract			1,028
Number of own employees with temporary contract			116
Number of employees with full-time contract (38> hours)			885
Number of employees with part-time contract (<38 hours)			259

All Van Loon Group companies follow the CLA applicable to the company in question. A small proportion of staff are not covered by a CLA.

The CLAs are also applied to all hired flex workers. The need for operational flexibility and the availability of permanent employees, result in a relatively large number of flex workers. These are predominantly employed in production and logistics.



## CSR THEME EMPLOYEE WELFARE

08 Decent work and economic growth



Bijdrage aan SDG 8.8

### Why is this a CSR theme for Van Loon Group?

The employees at Van Loon Group are our most important asset. This also stems from its history as a family business. An engaged employee ensures a lasting relationship and higher productivity.

### Demarcation

This concerns both permanent employees and employees with a temporary contract at Van Loon Group.

### Ambition

We strive for maximum employee satisfaction.

Objectives for this theme	Results 2020
We are aiming for a score in the top 3 of reference companies by 2024	Response: 83,2% Work atmosphere: 7,3 Leadership: 7,4 Engagement: 7,2 Employer: 7,1

Other figures	2017	2018	2019	2020
# cases of discrimination	0	0	0	0
# cases of sexual harassment	0	0	0	0
Working time lost due to strike or disagreement (days)	0	0	0	0

In 2019, together with Efectory, we conducted an employee satisfaction survey (ESS) among the employees of Van Loon Son and Van Loon Eersel. The most important points of attention that came out of this were that we need to communicate more and better with our employees and we need to involve them better in the strategy and development of the organisation. There is also a need for more personal attention and appreciation from colleagues and managers.

Both need-to-know and nice-to-know topics are published and shared here. They can also consult regulations and procedures, view their hours and place a weekly order for their evening shift dinner. The app can be set up in the user's own language and there is plenty of room for interaction.

In addition, each team made a plan to work with the results of the ESS and to increase the involvement and engagement of the employees. In September 2020, we held the ESS among all employees of Van Loon Group. The ESS will be repeated annually with the aim of ending up in the top 3 of reference companies by 2024.

### Meatpoint\*

We have since then set up a social intranet, "Meatpoint", in which we share information with and from our employees.



## CSR THEME HEALTH & SAFETY OF EMPLOYEES

08 Decent work and economic growth



Contribution to SDG 8.8

### Why is this a CSR theme for Van Loon Group?

The health and safety of our employees is of paramount importance. Healthy and engaged employees reducing the likelihood of absenteeism. They are more productive and happier in their work.

This also applies to employees of external companies operating at our locations.

### Ambition

Van Loon Group provides safe and healthy working conditions avoiding absenteeism.

### Demarcation

This primarily concerns the health and safety of all Van Loon Group employees, both regular and flex.

Objectives for this theme	2017	2018	2019	2020	Target 2020	Target 2025
Number of Accidents resulting in absenteeism	28	34	30	52*		
Lost Workday Case (# of accidents leading to absenteeism per 200,000 hours worked)	1.55	1.98	1.68	2.50	2.0	1.0
Absenteeism	4.9%	5.4%	5.3%	5.8%	4.5%	4.5%

\* Verhey Vlees and Van Loon Industrieweg are almost entirely responsible for the increase in LWC in 2020. In 2021, the focus will be on these locations in terms of reducing accidents.

### Activities 2020

Last year, we completed the machine floor risk assessment at 5 locations. Partly as a result of these risk assessments, a number of investments have already been made: a modification to the carcass line in Roosendaal and the introduction of an authorisation system on the rolling stock in Best. In addition, floor markings have been applied in Best to create a good separation between pedestrians, storage materials and rolling stock.

2020 was largely dominated by the Covid-19 pandemic. Right from the start, a Corona Crisis Team was set up and a central protocol was drawn up containing all the measures relating to the approach against corona. An essential part of the corona protocol was the Covid-19 risk assessment. Our health and safety service carried out this risk assessment and approved the plan of approach.

Some of the absenteeism in 2020 was due to corona.

Last year, the plan of approach for the general risk assessment was worked out for each location. This plan of action is the basis for the ESH consultations that take place every 4 or 6 weeks per location. Noise measurements were taken at all sites with recommendations for wearing hearing protection.

### Outlook 2021

In 2021, we will complete or conduct the machine risk assessment at the last 5 locations. A number of investments have already been budgeted for: extra fall protection in the automatic warehouse in Son and modification of the unloading conveyor in Roosendaal.

The Business Contingency Plan will be updated this year and an outline for a safety manual for the group will be made.

The Van Loon Group safety standards will be introduced at Bonfait. Examples include risk assessment protocols, in-house emergency response, corona and accidents.

Nuth will be further integrated in terms of health and safety: the general risk assessment will be carried out by an external expert, including testing, and the standard ESH consultation will start. The main focus will be on preventing accidents

All current projects in the area of health and safety will also continue in 2021.

## CSR THEME INTEGRITY

12 Responsible consumption and production



Contribution to SDG 12.6

### Why is this a CSR theme for Van Loon Group?

A dishonest organisation is a risk to the image of the company and the industry. An organisation with integrity respects legislation, human and labour rights, minimises social and environmental risks and has an honest management.

Van Loon Group values integrity and transparency. Both from our employees as our products. In order to monitor this as independently as possible, Van Loon Group has an internal and an external whistle-blower regulation. Employees can come here if they discover possible abuses and/or irregularities when it comes compliance with laws and regulations, food safety or product claims.

### Demarcation

Van Loon Group ensures internally that its organisational structure is sound and provides opportunities for stakeholders to lodge complaints. We also use our influence as supply chain director to ensure that our supply chain partners operate with integrity.

There are many social and political issues at stake concerning animal welfare, fraud, climate change and social injustice. The meat sector is being closely watched. Van Loon Group is aware of this and shows it stands for integrity.

### Ambition

Van Loon Group strives to ensure that its actions and employees are of impeccable character.

# Luc Lentjes, Deputy Director Verhey Vlees



## answers 7 questions about the impact of the Covid-19 pandemic

Despite all the measures we took, we still had a corona outbreak in November within one company in our group: Verhey Vlees. In consultation with the Safety Region, the management of Van Loon Group decided to temporarily close the company for the duration of 1 week. Through close cooperation between Van Loon Group, Zuid-Limburg City Health Service (GGD) and Safety region Zuid-Limburg, it was possible to get the infections under control again in a relatively short amount of time.

Luc Lentjes, Deputy Director of Verhey Vlees, together with the Verhey Vlees corona crisis team, made an effort to achieve this. We take a look back on this period with these 7 questions.

### 1. Looking back, how do you feel about the one-week closure in November?

In hindsight, it did take us by surprise; we did everything we could to keep our people safe at work. This made it hard to see so many infections coming. In the end, it was the right choice to get everyone working safely again as soon as possible. Many of the employees were asymptomatic but still turned out to be infected. The strange thing is that you first start with the people who have been tested positive in the past.

### 2. Do you think this closure could have been prevented?

It's hard to say. We might have been able to continue working safely with the group of people who weren't infected. Or we might have been able to open sooner. We conducted an extra Covid-19 risk assessment. Based on the results, we adjusted a few things so I might have thought it was safe to continue working. The fact remained that many employees had tested positive, so it was still a risk. For maximum safety and well-being of the employees, it was the right choice at that time.

### 3. What actions have you taken to bring the infections back under control?

We had already taken most of the measures before the outbreak.

We had everyone tested in collaboration with GGD Zuid-Limburg. Then, among the migrant workers in the housing, we separated the employees who tested positive from those who tested negative. We also monitored compliance, and when we checked, we saw that people fortunately kept to this separation themselves.

When we reopened, as an extra measure we made the transport rules even stricter, tightened up the health check and had it carried out by our Health and Safety Service.

We also introduced a specific measure for break time; when moving from the workplace to the canteen and vice versa, employees had to walk in smaller groups following a special walking route.

### 4. How did you communicate with your employees?

Our goal was to reassure and properly inform our employees about the situation. We phoned every employee personally and also used our internal means of communication such as Meatpoint and the information boards. We also created a WhatsApp group for all permanent employees, making quick communication possible. We approached all temporary workers via their contact persons, so that our flex workers were also aware of the situation and knew what to expect.



We worked closely with the group's corona crisis team, drafting and distributing the message together.

### 5. What was the impact on your employees?

What you did notice was that people had a lot of questions. Sometimes it made people more uncertain. Fortunately, the situation did not lead to great unrest, people understood that temporary closure was necessary. We properly guided them in the necessary steps. Migrant workers demanded extra attention because of the cultural differences and the language barrier. They aren't always compliant, so we had to put extra energy into explaining to them that complying with the measures is very important, for everyone's health and well-being. We also had to sit down with the foreign companies for flex workers we work with a number of times to explain properly why certain measures were necessary and had to be complied with.

### 6. What did you learn from this situation?

That communication to employees is extremely important. We weren't used to this before we joined Van Loon Group. We were also not used to asking employees their opinion. This situation taught us that creating engagement through communication can greatly help you to get employees on board with everything you expect from them.

### 7. How are things at Verhey Vlees regarding corona?

Excellent. After the outbreak, no one tested positive.

## APPENDIX Stakeholder engagement

Stakeholder	How does dialogue take place?	Important sustainability themes
<b>Customers</b> <ul style="list-style-type: none"> <li>• Retail</li> <li>• Foodservice</li> <li>• Industry</li> </ul>	Direct discussions with customer Purchase process/conditions Product specification Sector consultation (covenant)	Food Safety Health (fat/salt/sugar/allergens/antibiotics) Animal welfare (Beter Leven) Transparency in the supply chain Social risk management in the supply chain (child labour, working conditions, safety) Loss & food waste Energy consumption process and building Sustainable soy and palm Packaging (reduction of plastic and FSC paper) Colour & flavourings (E-numbers) Climate & CO <sub>2</sub> footprint
<b>Consumers</b>	Via customers (retail & foodservice) Via website & social media Information sessions with staff	Food Safety Transparency Health Food waste Animal welfare Climate & CO <sub>2</sub> footprint Local products
<b>Employees</b>	Van Loon Group Internal code of conduct Employee handbook and introduction film Van Loon Group Campus Performance Review	Career development/education of employees Working safely & health Job security and continuity (ratio flex/permanent) Integrity in business operations Welfare (sustainable employability, identity & belonging)
<b>Livestock farmers</b>	Interviews & company visits Various meetings for pig and cattle farmers Newsletter	Continuity/Purchase guarantee Valorisation of (sustainable) product/fair price for farmer
<b>Slaughterhouse</b>	Direct discussions with slaughterhouses	Food safety Animal welfare Continuity
<b>Other suppliers (facilities)</b>	Direct discussions with suppliers	Continuity Packaging Energy consumption Emissions

Stakeholder	Hoe vindt dialoog plaats?	Belangrijke duurzaamheidsthema's
<b>Financial shareholders</b>	Regular consultation	Continuity business operations with integrity Employee welfare Animal welfare Climate & CO <sub>2</sub> footprint
<b>Certification bodies</b>	Audit visits	Food safety Animal welfare Working safely & health
<b>Branch organisation</b> <ul style="list-style-type: none"> <li>• KNS</li> <li>• FNLI</li> <li>• VNV</li> <li>• AKSV</li> <li>• COV</li> </ul>	Consultation within the sector organisation	Energy consumption process and building Packaging Loss and Food waste Transparency in the supply chain Climate & CO <sub>2</sub> footprint Sustainable soy & palm
<b>NGO's</b> <ul style="list-style-type: none"> <li>• Animal Protection</li> <li>• Nature &amp; Environment</li> <li>• Wakker Dier</li> <li>• Varkens in nood</li> <li>• GAIA</li> <li>• Consumer association</li> </ul>	Van Loon Group participates in the Advisory Board of the Beter Leven certification Van Loon Group organises focus groups among livestock farmers for the Dutch Society for the Prevention of Cruelty to Animals	Animal welfare Biodiversity Transparency of the supply chain Valorisation of (sustainable) product/fair price for farmer
<b>Scientific Institutes</b> <ul style="list-style-type: none"> <li>• WUR/HAS University of Applied Sciences</li> <li>• VIC</li> </ul>	Joint project monitoring and reduction of the CO <sub>2</sub> footprint of the pig supply chain	Climate & CO <sub>2</sub> footprint Wastewater treatment
<b>Government</b>	Via the Dutch environmental department (legislation)	Waste Water Emissions Energy consumption (EED)Local area
<b>Media</b>	Press releases	Malpractices in the sector
<b>Local area</b>	Business associations	Emissions (odour/noise) Local involvement
<b>Competitors</b>	Via trade organisations	All the themes mentioned are also relevant to competitors



## APPENDIX Selection of GRI indicators

Based on the material sustainability themes, a selection was made of the to be reported GRI indicators. This report has been prepared in accordance with the GRI Standards Core Option.

CSR pillar	Van Loon Group theme	Relevant GRI indicators	Page
<b>Consumer and Health</b>	Food Safety	GRI 416-FP5 Percentage of production location certified in accordance with international safety standards	22
	Organic meat	GRI FP9 Number of animals with animal welfare initiative	24
	Salt, sugar & fat content	GRI 416-FP6 Proportion of volume that has reduced fat, salt and sugar content	25
	Use of antibiotics	GRI 416-1 Health & Safety assessment impact of products	44 up to 46
	Loss and food waste	GRI 306-3 Waste (raw material, volume and location)	28
	Protein transition	No specific GRI indicator	29
<b>Sustainable Production</b>	Water	GRI 303-3 Water consumption	33
		GRI 306-1 Quality and destination of waste water	33
	Waste	GRI 306-2 Waste	34
	Sustainable energy generation & energy efficiency	GRI 302-3 Energy intensity	35
	Packaging material	GRI 301-1 Quantity of material per type	37
	Greenhouse gas emissions	GRI 305-1 Direct emissions GRI 305-2 Indirect emissions from energy purchased GRI 305-4 Emission intensity	35, 36, 38 and 39 38 and 39 35, 36, 38 and 39
<b>Supply chain management and Animal Welfare</b>	Valorisation of sustainable product	GRI 203-2 Indirect economic impact	45
	Animal Welfare	GRI FP9 Number of animals with animal welfare initiative	46
	Transparency & product integrity	GRI 417-1 Requirements for product information and labelling	48
	Sustainable soy and palm	GRI 204-FP1 Percentage of soy/ palm sustainably sourced according to international standard	49
	Local origin	GRI 204-1 Percentage of purchases from local suppliers	47
<b>Employee welfare and safety</b>	Training and education of employees	GRI 404-2 Employee development programme	53
	Diversity and equal opportunities	GRI 405-1 Diversity among employees and management (gender, age group per employee group)	54
	Continuity and job security	GRI 201-1 Direct economic generated value	55
	Employee welfare	GRI 401-1 Number of new employees GRI 406-1 Non-discrimination: Number of incidents/complaints GRI 402-FP3 Time lost from work due to strike or dispute	55 54 and 56 56
	Employee health and safety	GRI 403-10 Work-related absenteeism GRI 403-9 Work-related accidents	58 58
	Integrity	GRI 205-2 Communications on anti-corruption policy	54 and 59

There are also a number of general GRI indicators that must be reported. According to the 'core' report, these are the indicators in the table below. This report has been prepared in accordance with the GRI Standards Core Option.

GRI theme	GRI#	GRI indicators	Page/explanation
<b>General</b>	102-1	Name of the organisation	6
	102-2	Activities, brands, products and services	6 up to 11
	102-3	Location of head office	8 and 9
	102-4	Countries where the organisation is active	8 and 9
	102-5	Ownership and legal form	Van Loon Group is a privately owned private company
	102-6	Sales markets	9 up to 11
	102-7	Size of the organisation	8, 12 and 55
	102-8	Information about employees and other personnel	52 up to 59
	102-9	Supply chain	10 and 11
	102-10	Important changes within the organisation and supply chain	5
	102-11	Precautionary principles or approach	12
	102-12	External initiatives	62 and 63
	102-13	Membership of associations and interest groups	62 and 63
	102-14	Statement by the senior decision-maker	4
	102-15	Description of important consequences, risks and opportunities	14 and 15
	102-16	Values, principles, standards and behavioural norms	6 and 7
	102-17	Mechanisms for advice and concerns regarding ethics	Van Loon Group has a whistle-blower policy and a Code of Conduct. These are both actively brought to the attention of employees. The quality department monitors compliance with product integrity rules.
	102-18	Management structure	In addition to the executive directors (see p.5), Van Loon Group board management consists of three non-executive directors and the chief executive officer.
	102-40	List of stakeholder groups	12
	102-41	Collective Labour agreement	55
	102-42	Identifying and selecting stakeholders	12, 62 and 63
	102-43	Approach to stakeholder involvement	12, 62 and 63
	102-44	Key topics for stakeholders	16 and 17
	102-45	Entities included in the consolidated financial statements	8 and 9
	102-46	Determining contents of report and demarcation of topics	This report has been prepared in accordance with the GRI Standards Core option. The content of this report is determined by giving the most attention to the material CSR themes
	102-47	List of material themes	16 and 17
	102-48	Reformulation of information	NA
	102-49	Changes in reporting	Van Loon Group has been reporting its sustainability performance in the CSR report since 2011. The current CSR report complies with the GRI guideline for sustainability reporting.
	102-50	Reporting period	From 2011
	102-51	Date of most recent report	2020
	102-52	Reporting cycle	annual
102-53	Contact for questions regarding the report and its contents	Roland van Loon: rvanloon@vanloongroup.com Lindsay Kemps: lkemps@vanloongroup.com	
102-54	GRI Application level	This CSR report has been drawn up in accordance with the GRI standard: core option	
102-55	GRI table of contents	This table page 64 and 65	
102-56	Assurance Policy	This CSR report has been reviewed internally. The report has not been validated by an external party.	
<b>Management approach</b>	103-1	Explanation of the material theme and its demarcation	16, 17, 21 up to 59
	103-2	Management approach	6 and 7
	103-3	Evaluation of the management approach	All Van Group companies report periodically to management. The CSR policy is embedded in the operation. Both operational KPIs and CSR KPIs are periodically evaluated and adjustments are made where necessary.

