



VanDrie Group

CONTROLLED QUALITY VEAL

MVO-annual report 2007 - 2008

Introduction

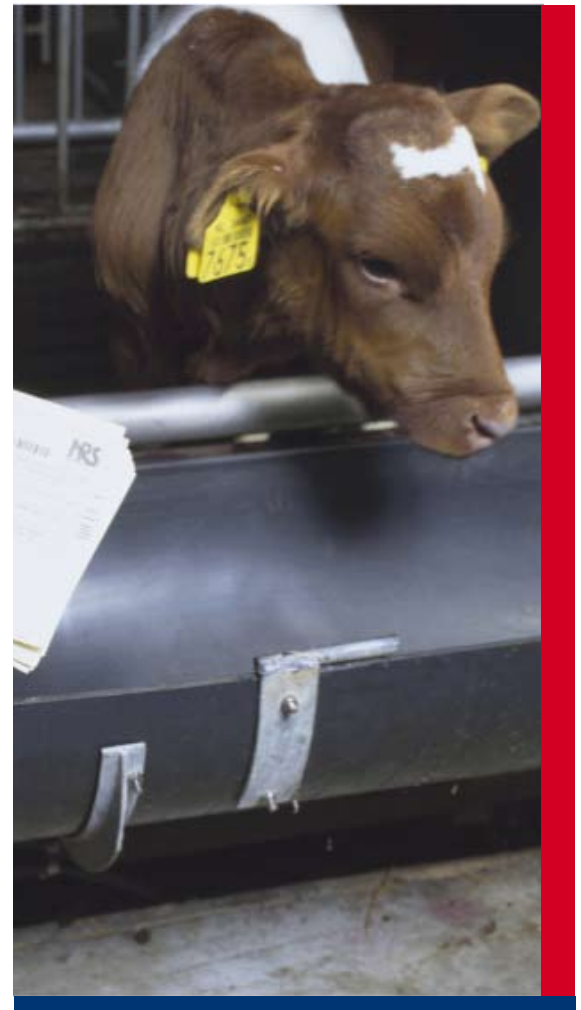
Although the Dutch VanDrie Group supplies veal to customers all over the world, it is a company that has always stayed true to its traditions as a family business. The group comprises more than twenty businesses, making it the largest integrated veal producer in the world. Backed by *Safety Guard*, a unique integral chain management system, almost 1.4 million calves are slaughtered each year, more than 95% of which are exported all over the world. The VanDrie Group meets approximately 20% of the European demand for veal. In this way the group adds value to the by-products of dairy farming and the dairy industry in a respectful manner. Calves that in the past often were slaughtered immediately after birth are now nursed using by-products from the dairy industry to produce delicious, tender, juicy veal.

The creation of a chain for the responsible production of veal did not happen automatically. In the early nineteen sixties, Jan van Drie purchased his first newborn calf for fattening. In the eighties and nineties the veal sector faced fierce criticism. We took this criticism very seriously. We have now developed group housing, the feed has been modified in accordance with the needs of the calves, a strict system of controls has been set up to exclude the use of prohibited substances, and plants have been built to convert slurry into high-quality fertiliser.

The VanDrie Group recognises its responsibility towards society. We want to show how our veal is produced and we are open to observations and suggestions. We frequently consult with NGOs, authorities and politicians. Our regular discussions with the Dutch Society for the Protection of Animals are an example of this. In addition, policy-makers, politicians, NGOs, consumers and purchasers are invited to take a look at what we do. Visits are arranged to give them an idea of the entire operation, including calf milk production, stabling, slaughtering and the cutting of the meat, so they can see with their own eyes how the entire chain is organised and how it functions.

Besides our business profile, this MVO annual report gives our vision of socially responsible enterprise (Maatschappelijk Verantwoord Ondernemen in Dutch) and the main steps taken by the VanDrie Group over the last two years to further anchor the principles of socially responsible enterprise in our business processes. Our ambition is to be a pioneer in the veal sector in this regard. If you have any questions in response to this annual report, please contact us via contact@vandriegrup.com.

September 2009
Henny Swinkels
Director Corporate Affairs VanDrie Group



Profile of the VanDrie Group



The VanDrie Group views veal production as a craft, one in which care and respect are important values. It begins by taking care of the animals and our veal calves are cared for by over a thousand dedicated veal farmers.

Traditional methods are also applied to the slaughter and processing of the meat.

We have approximately 1800 employees who carefully process the veal into a fine delicacy.

The businesses that are active within the chain can be divided into the following categories:

- Veal farms
- Feed production
- Slaughterhouses
- Calfskin processing
- Marketing & Communication

More information on the profile and the activities of the twenty or more businesses that belong to the VanDrie Group can be found [here](#). Information on the various products supplied by these businesses can be found [here](#).

Socially Responsible Enterprise at the VanDrie Group

Socially responsible enterprise is a central aspect of the corporate policy of the VanDrie Group. The group remains a healthy, economical company thanks to its solid foundations, in which consideration for people, animals and the environment plays an important role. This process is endorsed by the entire management board and is implemented on a daily basis in all activities of the group. Concepts such as sustainability and transparency are the cornerstones of the company philosophy. The group aspires to stay one step ahead of social developments and regulations. All businesses and employees accept full responsibility for the optimum quality and safety of the product to be supplied.

Quality

Quality is not achieved without effort; it requires a well-considered approach based on solid cooperation between all the links in the chain. Cooperation such as this is governed by clear agreements on what is and is not permissible, transparent business processes and performance assessment.

All this is necessary in order to ensure a reliable quality system. Over the last decade the VanDrie Group and its chain partners have made huge efforts to create solid, verifiable and transparent chain quality systems for all business activities.

These chain systems now form the backbone of the enterprise and provide a healthy basis for sustainable and socially responsible veal production in Europe.

The 3 Ps of the VanDrie Group

For the VanDrie Group terms such as cooperation, quality, sustainability and transparency are more than just clichés. They are the cornerstones of the company philosophy. Respect for people, animals and the environment is symbolised in the company logo depicting a hand and a calf. With a consistently applied chain approach geared towards the three Ps - People, Planet, Profit – the company earns the acceptance of society for veal production, offering the prospect of a healthy future for the sector.

1. People

is understood to mean:

- Long-lasting employee relationships
- Transparency towards society
- Safe Food
- Responsible nutrition

[Read more about this here.](#)

2. Planet

is understood to mean:

- Consideration for the environment and living conditions
- Healthy animals
- Manure

[Read more about this here.](#)

3. Profit

is understood to mean:

- Healthy business operations
- A Healthy future

[Read more about this here.](#)

Tracking and tracing

All our veal is followed by our tracking and tracing system. This uses the unique ear tag number given to each calf at birth. The complete history of the calf is linked to this number. After the animal is slaughtered the ear tag number is scanned. All data available at the time of slaughter is uploaded to the slaughter hook and the data obtained at a later stage, such as colour, fat coverage and weight, is added to this.

When the carcass is divided, all data is transferred from the hook to a transponder in the crate. During packaging a label with relevant data is printed out and attached to the pack. This makes it possible to trace a product from the sales outlet right back to the calf, the livestock feed and the feed ingredients.

The group has ensured the transparency of this process by making its tracking system available to buyers via:

www.vealvision.com. On the basis of the calf's unique ID code, the buyer can trace the product back to the calf via the Internet and can even obtain digital information on the veal farm where the calf was raised. In 2005 this [Safety Guard](#) system was awarded the Dutch Logistics Prize.

Extensive social profile

Additional information on the VanDrie Group's social profile can be found in the brochure 'Puur Kalfsvlees' (Pure veal) published in 2006.



MVO developments in the last two years

Better Life award

After two years of preparation, on 20 January 2009 the VanDrie Group was awarded a Better Life star by the Dutch Society for the Protection of Animals. Better Life is a three-star rating system introduced by the society whereby the stars represent the level of animal welfare. Three stars is the highest rating. The first coloured star stands for important improvements in animal welfare. The Better Life seal of approval is an endorsement of the product. Compliance with the agreements is laid down in the VanDrie Group's [Safety Guard](#) quality system. Lloyd's monitors compliance and the Dutch Society for the Protection of Animals is authorised to conduct its own checks unannounced.

Besides the agreements relating to production under the Better Life seal of approval, the VanDrie Group has also entered into a covenant with the Dutch Society for the Protection of Animals concerning higher standards for the veal in the regular circuit, which usually goes to foreign buyers. As a result of better management, calves are no longer in danger of suffering anaemia, the animals are given twice as much high-fibre roughage as the minimum statutory requirement, extra attention is being paid to stable comfort and living space, and in ten years' time all long-distance cattle trucks will be fully climate controlled.

Better Life veal is used in the international culinary competition Bocuse d'Or Nederland 2009 and is also served in the KLM business class. In September 2009, the VanDrie Group won the [Fresh Top 100](#) innovation prize with a Better Life veal product with the brand name MAQSfood.

[Read more about Better Life veal here.](#)

Industrial sector signs agreement on more efficient use of energy

In July 2008 the industrial sector reached long-term agreements on the more efficient use of energy with members of the Dutch ministries of Housing, Spatial Planning and the Environment (VROM), Economic Affairs (EZ), and Agriculture, Nature and Food Quality (LNV). Together with other parties from the meat sector the VanDrie Group has signed these long-term agreements via the Central Organisation for the Meat Sector (COV).

The agreements on energy efficiency are voluntary but are not non-committal and have been concluded between the government, the business community and the institutes. In effect this forms part of the sector agreement with the industry that was announced in the working programme 'Schoon en Zuinig' (Clean and Efficient), which underpins the climate policy in this cabinet period.

One of the agreements is that businesses will make a collective effort to improve energy efficiency by thirty percent between 2005 and 2020. The VanDrie Group is contributing to the realisation of this collective goal.

[Read more about this here.](#)



VanDrie Group supports LNV and VROM in sustainable production pilot

In cooperation with the ministries of VROM and LNV, the agency SenterNovem (EZ) and various food production businesses, the VanDrie Group started a pilot scheme in the spring of 2008 to investigate further possibilities for increasing sustainability in production throughout the chain. This initiative will foremost be geared towards developing a more proactive assessment and adjustment of the many influences on the method of veal production.

[*Read more about this here.*](#)

Veal sector presents Antibiotics Master Plan to Minister

The Dutch veal sector is taking a dynamic approach to issues surrounding the use of antibiotics. On 8 October 2007 the business community presented a Master Plan for the Rational Use of Antibiotics (MRGA) in the Dutch veal sector to Minister Verburg from the Ministry of Agriculture. The aim is to achieve a responsible balance between using antibiotics for animal health and minimising the risk to public health.

The Master Plan concentrates on the demonstrability of the use of antibiotics in the veal sector, monitoring compliance with the rules, gaining an insight into the development of resistances and conducting research aimed at reducing and/or managing resistance. Efforts are also being made to increase knowledge relating to issues surrounding the use of antibiotics and to enhance awareness within the sector.

[*Read more about this here.*](#)

VanDrie Group affiliated with the Conscious Choice foundation

In the summer of 2007, the VanDrie Group became a member of the foundation 'Ik Kies Bewust' (Conscious Choice). By displaying the logo of this foundation, the VanDrie Group hopes to make it easier for consumers to consciously choose healthier food. The logo 'Ik Kies Bewust', which can be found on the front of the pack, helps consumers to make a conscious choice for products with a healthier composition. The logo is supported by leading scientists and by the Dutch Food Centre.

[*Read more about this here.*](#)

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Colophon

Concept, realisation and design: Schuttelaar & Partners

