

## Communication on Progress

### 1) In general UN Global Compact

Awareness and promotion of UN Global Compact and its 10 principles.

Stork Food & Dairy Systems expresses their commitment to Global Compact and its 10 principles in the specific projects executed. We put effort in making the internal organization, our suppliers and customers aware of Global Compact.

### 2) The 10 principles

#### Human rights (Principles 1 - 2)

- 1) Businesses should support and respect the protection of internationally proclaimed human rights;
- 2) Make sure that they are not complicit in human rights abuses.

These principles are fully embedded in our business culture and laws we have to comply to. No specific needed projects or actions have been executed in this area of responsibility.

#### Labour

Principles 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

We are as a company in the Netherlands fully supportive of collective bargaining. We have a Works Council and good relations with both Works Council and Unions representing the employees.

Principle 4: The elimination of all forms of forced and compulsory labour.

These principles are fully embedded in our business culture and laws we have to comply to. No specific needed projects or actions have been executed in this area of responsibility.

Principle 5: The effective abolition of child labour.

When sourcing products and services abroad, we are alert on the labour conditions of our suppliers. These principles are fully embedded in our business culture and laws we have to comply to. No specific needed projects or actions have been executed in this area of responsibility.

Principle 6: The elimination of discrimination in respect of employment and occupation.

In hiring new employees one of our principles is that our labour force always reflects the composition of the population, regardless religion, colour, nationality, political preference etc. Our international website contains additional information to clearly express our principles.

#### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

In 2012 Stork Food & Dairy Systems developed an Environmental Management System that has been ISO 14001 certified in July 2012. An internal audit program has been implemented since. In June 2013 the external audit by 'Bureau Veritas' was completed successfully and renewed successfully in October 2014 and is valid until October 2017. The annual interim assessment by Bureau Veritas in December 2015 on our internal audits and progress on set environmental goals was completed successfully on December 8<sup>th</sup> 2015. In order to be certified for ISO 14001, we need to comply with strict environmental goals. Maintaining our ISO 14001 certificate shows that our Environmental Management System is successful.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

- Two internal organisations (a Workgroup for Safety, Health, Wellness & Environment and a Company Emergency Group) have been formed with members of all ranks from the company, monitoring the processes, analysing the causes of (near)accidents and taking measures to reduce and prevent the number of (light) personal injuries. No environmental incidents took place in 2015.



Food & Dairy Systems

- Leaflets, brochures and an introduction scheme for new employees and visitors have been developed and are implemented since 2012 to inform them on the Stork Food & Dairy Systems safety and environmental rules.
- Employees of suppliers and contractors, who carry out activities on behalf of Stork Food & Dairy Systems in our premises or at a customer site, are informed on our SH&E rules.
- In 2015 we maintained our auditing and selection process of new suppliers. They are audited and selected based on their Environmental policy and performance. Existing suppliers are encouraged and requested to develop environmental plans in case they have none. Stork Food & Dairy Systems also incorporates the supply chain in its approach to sustainability and quality. We don't make any distinction between ourselves or our suppliers and contractors in our policy for quality and SH&E. (Potential) suppliers are invited to fill out a standard Request for Information on their certificates (ISO 9001, ISO 14001, OHSAS 18001, VCA etc), documented Quality and Environmental Management Systems, compliances with SH&E law & regulations etc. More information is gathered through audits carried out by our purchasers. Based on this information our preferred suppliers are selected through a standardized selection method. During cooperation the performance of each supplier is monitored by both Strategic and Operational Purchasing. The results are reviewed on a quarterly basis.
- We embedded continuing energy saving measurements within our production and test facilities in our annual Environmental Year Plan and monitor the progress thereof.
- We have replaced our copier/printer park which results in less energy consumption and double sided printing of documents will lead to less use of printing paper.
- In 2014 we have invested substantially to replace all lighting in our production department for low energy lighting including daylight-dependent control. The results are expected to be available by the end of Q1 2016.
- In 2014 invested substantially in the replacement of our boiler system which will reduce the gas consumption substantially. The results over 2015 are expected to be available by the end of Q1 2016.

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

- We are constantly developing new products and production processes in cooperation with Universities, Schools of Polytechnics and food specialists that employ new technologies, processes and materials to reduce energy consumption and the use of possibly hazardous consumables. In 2015 we continued our cooperation with the Innovation Lab of the Polytechnic of Amsterdam.
- We implemented an overall work method by which we obligate ourselves to focus on energy saving actions, within every development project that we initiate.

### **Anti-corruption**

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery. We emphasize on our rules of conduct in doing business with our suppliers as well as with our customers. For that reason we still avoid doing business in regions where currently bribery still is part of doing business. During every international Sales & Service meeting this item is on the agenda. Every sales manager has to comply with our rules of conduct.

Amsterdam, 2015 December 18th

Mr. Wouter de Haan,  
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