

# CSR report 2013



**Holland.Malt**  
your quality in our hands



# CSR report 2013





<b>1</b>	<b>WELCOME</b>	<b>4</b>
<b>2</b>	<b>OVERVIEW OF ACTIVITIES 2013 AND GOALS 2014</b>	<b>6</b>
<b>3</b>	<b>HOLLAND MALT AND CSR</b>	<b>9</b>
3.1	The ambition of Holland Malt	9
3.2	Our CSR strategy and policy	10
3.3	CSR governance	10
3.4	Stakeholder dialogue and transparency	11
3.5	Activities in 2013	11
3.6	Goals for 2014	12
<b>4</b>	<b>QUALITY EXCELLENCE</b>	<b>13</b>
4.1	Our focus	13
4.2	Activities in 2013	13
4.3	Goals for 2014	13
<b>5</b>	<b>OUR PEOPLE</b>	<b>15</b>
5.1	Our focus	15
5.2	Activities in 2013	15
5.3	Goals for 2014	16
<b>6</b>	<b>ENVIRONMENT</b>	<b>17</b>
6.1	Our focus	17
6.2	Activities in 2013	17
6.3	Goals for 2014	18
<b>7</b>	<b>SUPPLY CHAIN RESPONSIBILITY</b>	<b>19</b>
7.1	Our focus	19
7.2	Activities in 2013	20
7.3	Goals for 2014	21
<b>8</b>	<b>GIVING BACK</b>	<b>23</b>
8.1	Our focus	23
8.2	Activities in 2013	23
8.3	Goals for 2014	23
<b>9</b>	<b>COLOFON</b>	<b>24</b>
	<b>APPENDICES</b>	<b>25</b>





# 1. WELCOME

June 25, 2014

I am pleased to welcome you to this first CSR report of Holland Malt. In this report, we elaborate on what Corporate Social Responsibility or CSR means to Holland Malt, and we explain our activities to take our responsibility and to set our goals for the future.

Holland Malt, with its shared ownership between a brewer and farmer's cooperative is a unique company. There are not many malting companies that are in such a close connection with both ends of the chain. Through our ownership construction, we thus act as a unique example of chain integration. Our simple, transparent value chain brings several advantages. On transport for example; our barley is delivered directly from the farm to Holland Malt. In this way, logistics are relatively simple and transport kilometers are limited.

In my opinion, Holland Malt is, an innovative company, and not afraid to think outside the box. This provides a great boost in developing our CSR. At Holland Malt, we are aware of the challenges that are associated with the use of natural resources and of our responsibility to act responsibly. We are part of a production chain and we work with natural resources in our processes; barley as the main ingredient for our product and gas, electricity and water for our processes. Our people are of crucial importance to our company, as are our responsibilities towards our suppliers and clients. Our CSR policy addresses these and other aspects of our company and is organized around the following six themes:

1. Good governance and stakeholder dialogue
2. Quality excellence
3. Our People
4. The environment
5. Supply chain responsibility
6. Giving back

## **Looking back**

Looking back at 2013 we achieved a record malt production and turnover. And since clients and shareholders are satisfied we altogether consider 2013 to be a good year.

Internally, safety was high on the agenda. In recent years there have unfortunately been several incidents and we did not see sufficient progress in reducing the number of incidents. Holland Malt participates actively in a steering group to develop and implement a safety master plan. Awareness and the realization of a culture change are key elements herein. The topic is on the agenda of every meeting and will remain very important in the near future. Smarter production processes, a focus on prevention and periodic checks and maintenance activities should help maintain the focus on safety in busy production periods.

Externally, the work done on sustainable land use and sustainable cultivation was a very important topic in 2013. For our activities around sustainable cultivation, we collaborated with the Skylark Foundation. This Foundation involves farmers, brings them together and facilitates learning through study groups and sharing of success stories. More about this initiative can be found in chapter 7.

## **Outlook for 2014 and beyond**

We see several economic trends that will influence our business in 2014 and beyond. One of these trends is a consolidation of brewers. These days, the top 5, owns 65% of the market. With their growing share, the power of these big players increases. We expect a growing demand for CSR activities, translated into requirements, accelerated by a starting interest of consumers in CSR.



In Brussels we see a Carbon Leakage norm being developed and intensified. This could influence Holland Malt financially as it translates into more costs for (fossil) fuel use, such as natural gas. We respond proactively to this and have done so for many years by a continuous study of possibilities to decrease our energy use and search for alternatives. We report on this in chapter 6.

Also in agriculture norms become stricter. One example here is with respect to the regulations on fertilizer application. More and more, phosphate and nitrogen are regulated by strict legislation and norms are tightened which makes the production of barley with sufficient yield and quality a challenge. Here we work together with breeders, and growers in the chain to realize improvements for future sustainable cultivation of malting barley.

Another development is the strict fertilizer regulations, the demands regarding decrease of the use of phosphate and the shift to alternatives for fertilizers. We wish to secure our yield and the quality hereof with sufficient proteins in the barley. Strict regulations are a challenge as the norms for phosphate are already strict in the Netherlands. Parallel to this, crop breeders try to increase the yield per m<sup>2</sup> which may form a challenge to the quality of the barley that we need.

Furthermore, global warming and climate change is not a future, far away threat but is already an issue to take into account in supplying our barley. This is the prime reason to spread our barley sourcing areas over Europe whilst securing the supply through long-term agreements with specific suppliers.

Internally, the care for our people, their safety and creating sustainable employability of our employees had our full attention in 2013 and will be a key theme again in the years to come.

As mentioned, this is Holland Malts first CSR report. We published it because we wish to share what we have done and what we intend to do in the future. We wish to engage in an active dialogue with our stakeholders; i.e. our farmers, our employees and, last but not least, our clients. We would like to invite our stakeholders to share any possibilities for cooperation, questions or remarks with us. You can do so via [CSR@hollandmalt.com](mailto:CSR@hollandmalt.com) or contact our CSR/QA manager Martijn Van Iersel via +31 499 428 201 or [martijn.van.iersel@hollandmalt.com](mailto:martijn.van.iersel@hollandmalt.com). On our website [www.hollandmalt.com](http://www.hollandmalt.com) you can find more information about our company.

***Jos Jennissen, CEO Holland Malt***





## 2. OVERVIEW OF ACTIVITIES 2013 AND GOALS 2014

Topic	Most important activities in 2013	Goals 2014
Governance & stakeholder dialogue	<ul style="list-style-type: none"> <li>- Extension of CSR KPIs;</li> <li>- Improvement in organization of responsibilities; CSR tasks QA manager formalized;</li> <li>- Several stakeholder dialogue activities;</li> <li>- ISO 26000 self-declaration published.</li> </ul>	<ul style="list-style-type: none"> <li>- Intensify the dialogue with Agrifirm on CSR.</li> <li>- Intensify CSR dialogue with brewers; get a complete overview customer wishes on CSR</li> <li>- Have stakeholder meetings with both shareholders, 3 main clients, 3 suppliers, and a selection of employees,</li> <li>- Publish a new CSR report over 2014</li> <li>- Extend CSR information on our website.</li> <li>- Update our public ISO 26000 self-declaration</li> </ul>
Quality excellence	<ul style="list-style-type: none"> <li>- Switch of barley sourcing areas to regions with a better quality</li> </ul>	<ul style="list-style-type: none"> <li>- No food safety incidents</li> <li>- Develop a new KPI on quality from the customers perspective</li> </ul>
Our people	<ul style="list-style-type: none"> <li>- Several activities on sustainable employability;</li> <li>- Several activities to increase safety awareness via a do's and don'ts approach;</li> <li>- Redesign of work scheme at Lieshout location</li> </ul>	<ul style="list-style-type: none"> <li>- All employees safety aware, continuation of how to / how not to " approach</li> <li>- Safety is the first point on the agenda of every meeting</li> <li>- Continue the redesign of the work scheme / test in Eemshaven location</li> <li>- Everyone in the malt house VCA certified</li> <li>- Several employees a NEN3114 certificate</li> <li>- Formalize and practice evacuations</li> <li>- Location in Lieshout will participate in a new registration system aimed at registering incidents and near incidents.</li> </ul>





Topic	Most important activities in 2013	Goals 2014
Environment	<ul style="list-style-type: none"> <li>- Ongoing activities aimed at improving energy efficiency and water saving;</li> </ul>	<ul style="list-style-type: none"> <li>- Develop a plan for CO2 footprint reduction of 10% in 2017 (reference year 2012)</li> <li>- Explore possible improvements in the use of green energy</li> <li>- Dialogue with companies in Eemshaven to seek for common advantages on energy consumption or waste management.</li> </ul>
Sustainable supply chain	<ul style="list-style-type: none"> <li>- Active partnership with Skylark foundation;</li> <li>- 8000 tonnes of barley sustainably and/or locally sourced;</li> <li>- 50% of suppliers (in spend) signed Code of Conduct;</li> <li>- Study of SAI initiative.</li> </ul>	<ul style="list-style-type: none"> <li>- Performing a CSR risk scan</li> <li>- Increase the share of suppliers that signed the Code of Conduct to 80% of the purchasing spend</li> <li>- Develop a method to discuss CSR with suppliers; building on existing contact cycles. We aim to implement this in 2015.</li> <li>- Increase production in the Skylark program to 10.000 tons</li> <li>- Continue and extend project of locally cultivated barley with trappist brewery 'De Koningshoeven'.</li> <li>- Start discussion on SAI with at least 2 suppliers</li> </ul>
Giving back	<ul style="list-style-type: none"> <li>- Several activities in Biocab, the Seaport Xperience Center and Farmer, Beer Water initiatives.</li> <li>- Training of 5 interns</li> </ul>	<ul style="list-style-type: none"> <li>- Continue our activities on Biocab, the Seaport Xperience Center and Farmer, Beer Water</li> <li>- Open new possibilities for trainees within the company</li> </ul>

