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Value Creation through Sustainability



FrieslandCampina
Create, Care, Change – Together

The business case of Sustainability

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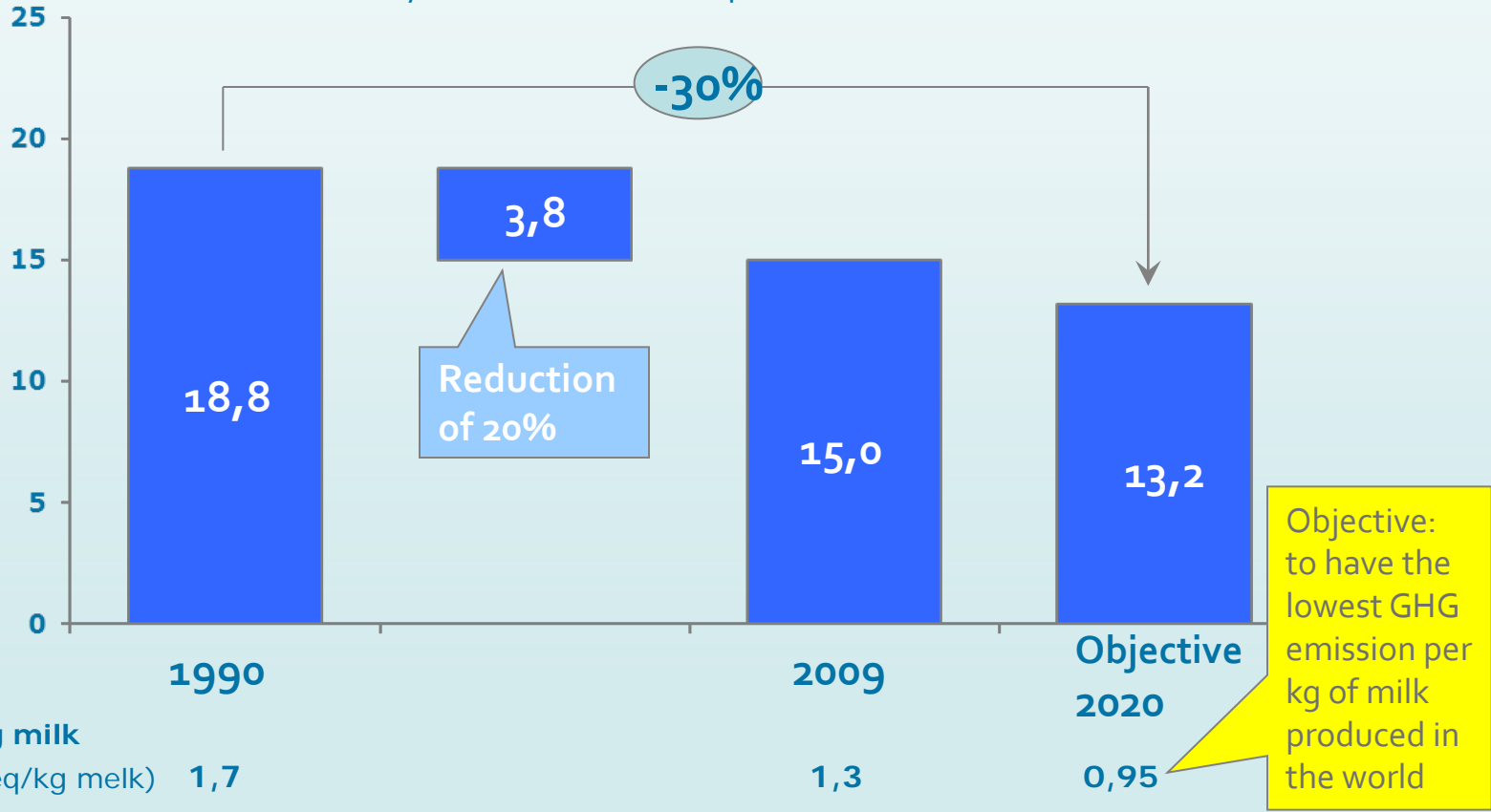
EFASEMINAR
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Reduce GHG emissions with 30% in 2020; Aim to become lowest GHG emitter per kg of milk



GHG emissions Dutch dairy sector (Mton CO₂-eq)



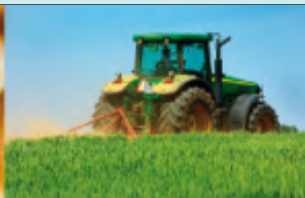
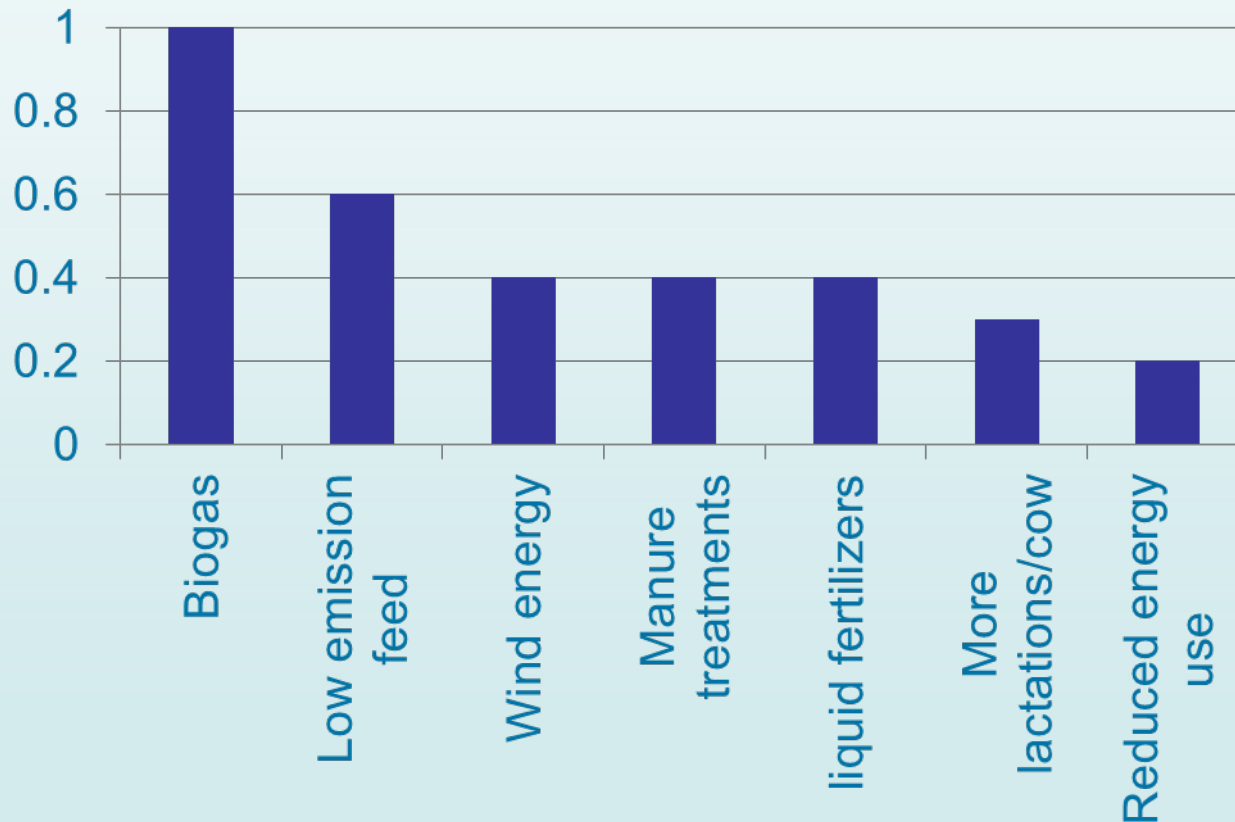
GHG / kg milk
(kg CO₂-eq/kg melk) 1,7

1,3

0,95



Relative importance of various GHG emission reduction measures



The CSR value curve

From Compliance-based Cost perspective
to Value creation



Sustainability Value Creation Levers



Potential Impacts of Sustainability Efforts

- Stronger **brand** and greater pricing power
- Greater **operational efficiencies**
- More efficient use of resources
- Supply chain optimization
- **Lower costs** and taxes
- Enhanced ability to attract, retain and motivate **employees**
- Greater employee productivity
- Improved **customer loyalty**; lower rate of churn
- Enhanced ability to enter **new markets**
- More potential sources of **revenue**
- **Lower** market, balance-sheet and operational **risks**
- **Lower cost of capital**
- Greater access to capital, financing and insurance

Value Creation Levers

