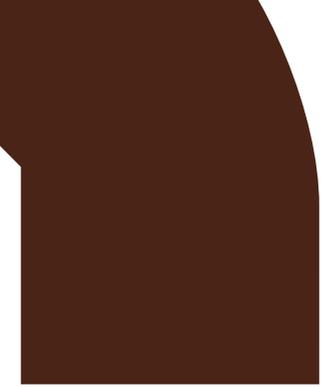


**CRV
AND ETHICS**
STANDARDS AND VALUES

BETTER COWS | BETTER LIFE



CRV PRACTICE

CRV is a leading, customer oriented cattle improvement enterprise that is committed to creating distinctive added value for cattle farmers worldwide.

As a co-operative, CRV endeavours to progress and build a better future for its members and customers, as well as striving for the sustainable development of the organisation.

CRV aims to treat the planet and the people, animals and plants living on it in a respectful, sustainable and socially and ethically responsible manner. We do this with a passion by innovating, co-operating and being a reliable partner. In this respect we consider CRV itself and its place in the chain and society.

Code of Ethical Conduct CRV

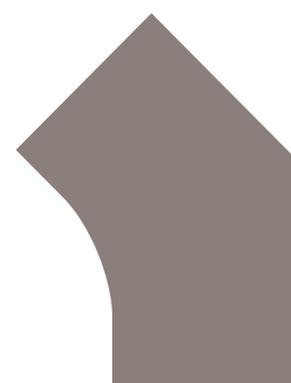
CRV has drawn up a Code of Conduct in order to establish the ethical standards and values held by CRV and to encourage our employees and the company to behave correctly and honestly.

This code gives the employees and the management clear guidelines on how to act and behave.

The main themes with an ethical relevance for CRV are:

- Sustainable breeding policy
- Animal health and welfare
- Employee care
- Ecological sustainability
- Economic sustainability
- CRV in society

This brochure clarifies the standards and values adhered to by CRV and the views held on the themes stated above.



SUSTAINABLE BREEDING POLICY

CRV aims to contribute to the sustainable development of the livestock sector through applying a sustainable breeding policy. CRV wants to achieve genetic progress in a responsible way. CRV accomplishes this in ways that include:

- making optimal use of the existing genetic variation in its breeding programme;
- working on the prevention of genetic defects;
- saving semen in the national gene bank;
- devoting attention to sustainability in its breeding policy.

Longevity

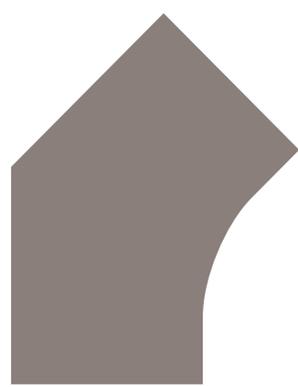
One of the best-known breeding values in relation to sustainability is longevity. Farmers in the Netherlands and Flanders highly value this characteristic. The lifetime production of Dutch and Flemish dairy cows is around 30,000 kg of milk and this figure has risen considerably in recent years.

CRV WANTS TO CONTRIBUTE TO **THE SUSTAINABLE DEVELOPMENT OF THE CATTLE FARMING SECTOR**

Co-operation

Through co-operation with other breeding organisations and companies active in the international cattle sector, CRV aims to share knowledge and achieve sustainable innovation. One of the organisations that CRV is a member of is the EFFAB (European Forum of Farm Animal Breeders). This association initiated the 'Code of Good Practice for Farm Animal Breeding and Reproduction Organisations'. This code follows the principles of sustainable farm animal breeding as developed by scientists, the livestock farming sector, animal welfare organisations, specialists in ethics, econometricians and sociologists. CRV adheres to this code.





Naturally polled

The majority of Holstein-Friesian cows develop horns as calves. A small number of them are naturally polled. Increasing numbers of farmers are interested in poll-inherited bulls. CRV now has eight heterozygote polled bulls in its breeding programme. This means that half of the progeny from these bulls will have no horns. CRV's goal is to breed more polled bulls.

Asterix,
a polled CRV bull

ANIMAL HEALTH AND WELFARE

CRV produces and markets semen all over the world, on many locations. However, the location makes no difference to our customers. They can always rely on the same consistent outstanding quality and safety of our products. We guarantee this high quality by placing strict demands on animal health and welfare. CRV implements measures to ensure the risk of disease transmission is minimised.

In this context, CRV uses modern bio-security methods and quality assurance systems. All CRV employees treat the animals entrusted to their care with respect. This naturally applies to our own animals as well as to animals owned by customers and other business relations.

It goes without saying that all CRV employees are trained to perform actions involving animals responsibly. In short, animal health and welfare enjoy the highest priority at CRV.

Measuring is knowing

As CRV places animal health and welfare so high on its agenda, it develops and supports many initiatives in this field. For example:

- research into improving the natural resistance of cows through breeding, thereby reducing the incidence of disorders;
- developing a 'claw health index' aimed at helping farmers improve claw health on their farms;
- participating in research that evaluates the length of the dry period from the perspective of cattle health.

CRV EMPLOYEES TREAT ANIMALS WITH RESPECT

EMPLOYEE CARE

CRV aspires to be a challenging employer with respect for its employees. It promotes diversity and equal opportunities for its personnel and strongly condemns child labour and any form of discrimination towards its employees. CRV respects the right of its employees to form unions.

Health and safety

Safety in the workplace and the health of our employees are of the utmost importance. Developing a safe workplace is an on-going process. Incidents and accidents are registered continually and appropriate action is taken. Examples of this include the protocol and instructions that have been drawn up based on the experiences of inseminators in order to increase safety in the barn. Employees have a very high awareness of safety.

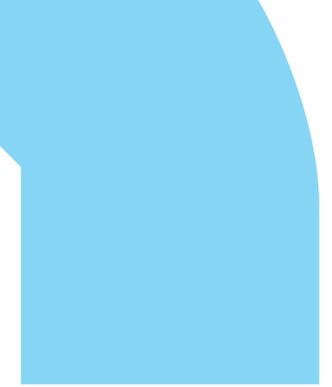
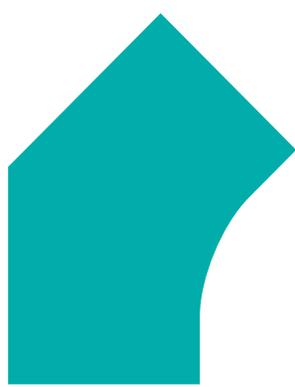
Reporting violations

To encourage transparency and integrity, CRV has introduced a whistle-blower scheme. CRV stimulates its employees to express their concern if they suspect or know that the Code of Ethical Conduct is being violated. This scheme is intended to act as a guideline about how to express these concerns and protects the whistle-blower against sanctions or unfair treatment. The whistle-blower scheme was implemented worldwide in 2011. This means that all employees have been informed about the scheme and that a local confidential advisor has been appointed and instructed in each department within the organisation.

Employee satisfaction

Employee satisfaction is a major indicator of how CRV is performing as an employer. A survey conducted into employee satisfaction provides insight into this subject. CRV intends to organise a similar survey every 18 to 24 months. This survey also throws light on the prevailing culture within the company and helps to create the right atmosphere at work.





ECOLOGICAL SUSTAINABILITY

Natural resources such as grass and clean water form the foundation of CRV's genetic products. Caring for the natural environment is therefore an integral and significant aspect of operational management. CRV takes steps to ensure the environmental impact it causes is managed as well as possible and reduced. This is a wish expressed by society in general and an absolute necessity for the sustainable continuation of the livestock sector. For this reason, CRV has made a zero measurement worldwide of its current water and energy consumption with the aim of reducing these figures.

ISO certification

CRV Lagoa in Brazil has ISO 14001 certification. The other sites have a high level environmental management system.



Sustainable purchasing policy

CRV imposes regulations on its own organisation regarding the environment, animal welfare and animal health. CRV also expects its suppliers to comply with and act in accordance with these standards and values.

Climate-friendly cow

In its breeding programme CRV aims to breed animals that can produce in an ecologically and economically sustainable manner by making efficient use of feed and other resources. CRV has joined forces with a number of partners from the feed industry and scientists to work on creating a climate-friendly cow. The parties have instigated a joint research programme into greenhouse gasses in the dairy cattle sector. Greenhouse gasses contribute to global warming. In the cattle farming sector the main emissions this concerns are methane and nitrous oxide. The purpose of the study is to develop feeding and breeding strategies that will reduce the emission of greenhouse gasses. The results from the study can also be used to estimate emissions at farm level.

ECONOMIC SUSTAINABILITY

CRV is an enterprise with two co-operative shareholders. This impacts on the financial and economic choices we make. CRV considers it to be its duty to actively support its members and customers in achieving a healthy business return. One of the ways this is accomplished is by harmonising its breeding policy to suit the breeding goals required by its members and customers. CRV also assists farmers in their operational management by providing tools that give farmers greater insight into their management results and through on-farm service provision.

Gifts

Integrity is a high priority for CRV. Employees must therefore avoid accepting gifts if this could give the impression that they are open to bribery.

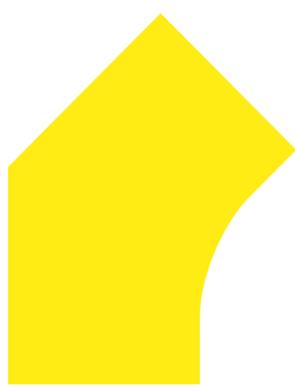
Products and business assets

The safety, quality and integrity of its products and services constitute the basis for CRV's sustainable development. This fundamental principle excludes the use of unsound materials, manufacturing processes or actions that could compromise the standards and values held by CRV.

SireMatch

Economic sustainability is of importance to all farmers and accordingly CRV offers a product that allows all dairy farmers to milk the herd that best matches their personal vision. SireMatch is a bull advice programme that works with standardised breeding goals per market. It is therefore tailored to suit the local production system of a specific country. Farmers can also set individual breeding goals for their own farms. This enables farmers to make an even more specific plan for their breeding strategy. Farmers can use SireMatch to achieve their professional goals, while still devoting attention to each individual cow, for example by limiting inbreeding, correcting teats placed too far apart etc.





Ethics Committee

Aspects of ethics and morality play a major role in how we interact with each other and in how we decide what is right or wrong. This is certainly the case in CRV's domain with issues such as animal welfare and biotechnology.

In 2002 CRV established the Ethics Committee. This is an advisory body that counsels the board and contributes to shaping the social responsibility of the organisation.

The committee advises the Executive Board about ethical issues relating to the activities of CRV in general.



CRV IN SOCIETY

CRV highly values good relationships with its customers, employees, business partners, social organisations and consumers. Through consultation with these and other interested parties, CRV is aware of the themes that are important for its stakeholders. CRV answers questions relating to these issues and responds to concerns it can contribute to such as animal health and welfare. Important issues in society include biotechnology and food safety.

Biotechnology

CRV only uses technology provided it does not jeopardise the animal welfare and human health of this and subsequent generations. New technologies are developed and existing technologies are enhanced to improve breeding in a sustainably profitable manner. The ethics committee advises the board on, among other things, the application of (new) technologies.

Food safety

Breeding is at the start of the food chain and CRV therefore has an important responsibility to ensure a high-quality genetic product. For instance, in its breeding programme CRV tries to increase the genetic resistance of animals to disease so that medication use can be kept to a minimum, which in turn improves food safety and public health.

TRANSPARENCY FOR ALL

CRV aims to be as transparent as possible for its employees, members, customers, consumers, suppliers, social organisations and the authorities. The website www.crv4all.com contains news about the current developments and background information and more detailed explanations of the activities and products of CRV. The annual report and the annual review report on the most important developments and explain the financial results.

CRV organises meetings for its members on a regular basis and consults with the members' councils. Members, customers and personnel are also kept informed by the members' magazine, the staff magazine, intranet and staff meetings.

Copies of the annual report, the annual review, press releases, the latest developments and information about the company can all be found on www.crv4all.com.



