



“Passionate
about food”

8.1

billion kilos of
raw milk processed

Resource-conserving, vegetarian, protein-rich, inspirational – food is becoming more and more of an ideology. A healthy, balanced lifestyle is the new norm, and morphing from a desirable state to a lifestyle. At DMK, we develop new concepts and products that respond to consumer's desires and help them to lead a balanced life. As a leading food manufacture, we adopt a clear customer and market orientation so as to offer dairy products to suit everyone.

Passionate about food. DMK's DNA.

Competence based on experience and regional roots – we are DMK: around 7,700 employees and more than 7,500 farmers.

As Germany's largest dairy cooperative, we make around 8 billion kilos of milk every year into top-quality foods at more than 20 sites in Germany and the Netherlands. And we do so with the passion that is typical of DMK, whether on our farmers' dairy farms or in the dairy production facilities. DMK helps to shape the future. Classic skilled craftsmanship goes hand in hand with research projects, digitalisation and trends. Consumers are our central focus. Their wishes and the latest trends and developments are our compass as a modern manufacturer.

With a finger on the pulse of the times

We know what consumers all over the world want. We use our Innovation, Research and Development departments to develop new products that appeal to the tastes of millions

of consumers. We draw our competence from a centuries-old heritage, craftsmanship and permanent research and development. This know-how enables us to deliver on the performance and quality that we promise our customers and consumers. With every day that passes.

Strong product portfolio

Our broad spectrum of cheeses, fresh dairy products, food manufacturing ingredients, baby foods, ice creams, health products and special animal feeds generates revenues of 5.8 billion euros and makes us the fourth-largest supplier to Germany's grocery retailers. MILRAM, Oldenburger, Uniekaas and Humana are among the brands that enjoy the full confidence of consumers at home and abroad and make our company an established name, both in our home markets and in selected target markets around the globe. Consumers associate our brands with a quality, variety and innovativeness that reach far beyond those of standard products.



A partner to our customers

We have won our prominent position in the dairy industry in a community of partnership with our customers from the retail, industrial and bulk consumer segments. They trust us not only because of product assortments that are focused on their needs and our guaranteed high-volume supply capabilities, but above all because of our uncompromising quality standards: whether raw materials, machinery, farms, packaging or transport - we check every step in our value chain and guarantee seamless quality assurance and the highest standards of hygiene.

A company of dairy farmers

Regardless of all changes and market fluctuations, we have a strong corporate core. Its supreme goal is to be and remain a reliable, future-proof partner for the cooperative's dairy farmers and pay them a stable, long-term milk price. As one of Europe's largest dairy companies organised on the cooperative system, we view it as our responsibility in all activities and investments to contribute our share to the embodiment of a modern cooperative. First and foremost, this means an active and transparent community.

As a cooperative-based company, we are rooted in the regions and at the same

time present in high-potential markets all around the world. The cooperative's role in the organisation is to act as a parent company. It is also responsible for our most important raw material - raw milk. Making the raw milk into a broad array of food products for millions of people is then the core task of our employees at Deutsches Milchkontor GmbH (DMK).

Taking responsibility

Another established element is our commitment to sustainable entrepreneurship that is in harmony with people, the environment and responsible milk production. To support this communal role, we have laid down concrete goals and actions in our DMK 2020 Sustainability Programme.

The key strategic areas in the programme include agriculture, environment, milk and society - and also our team. We aim to be a fair and secure employer who offers good prospects to every employee. To do this, we create a working environment in which employees feel comfortable, are encouraged to focus on the key aspects of their work and are offered the opportunity for personal further development.

7,500
farmers supply their milk
to DMK every day

7,700
employees
devote their energy to DMK

“The wind
has
changed”



Following his apprenticeship with Nordmilch eG, Ingo Müller gained career experience in many different parts of the company.

In the year 2011, he took on the leadership of the Ingredients business area as well as Quality Management and Research and Development. He had previously been Director of Agricultural Affairs and Managing Director at Nordmilch eG (2009–2011).

In September 2016, the 46-year-old graduate dairy industry engineer was appointed CEO of the DMK Group.

Müller is married with two children.

CEO Ingo Müller talks about the past fiscal year – and the DMK Group’s new course.

The market was kind to German dairy farmers and dairies in 2017...

Yes, that’s right. After two prior years in which our industry endured the worst market crisis for decades, the wind changed in the year under review. Naturally, that also had a significant positive impact on DMK’s sales and profits. However, the fact that we have earned a milk price above the average for German dairy companies for the first time ever indicates something else as well: we did better than the average from the market conditions on behalf of our dairy farmers. The sweeping change process with which we brought DMK on course made a decisive contribution, since we used it to create the conditions that enabled us to benefit more from the favourable trend in the market.

Your last annual report and sustainability report had “Moving” in the title.

What actually moved in the year 2017?

We had an action plan with four concrete goals: leaner organisation, better raw materials planning, reduced expenditure and an optimised portfolio. We achieved those goals: after a comprehensive organisational and technical realignment process, our organisation now consists of six autonomous business units with a freshly assembled leadership team. Around 1,500 employees have new roles, we implemented the essential human resources reduction on schedule. An important element of raw milk planning and our contribution to sustainable milk production in Germany is our Milkmaster Programme. We impressed key stakeholders with this responsible dairy farming programme in 2017, and have optimised

it further. At the same time, in just eighteen months we became the provider of GMO-free dairy products in Germany and Europe, with 2.3 billion kilos of non-GMO milk. Improved raw materials planning also requires retrenchments such as the closure of factories with insufficient utilisation or inadequate value added. In 2017, we decided on Rimbeck, Bad Bibra, Bergen and some of Nordhackstedt.

“We’re about margins, not mass”

Sounds as if the dominant theme of 2017 was “change”. But how did that actually impact the existing product assortment last year?

We made considerable progress with our systematic and continuous portfolio optimisation. We constantly review the profitability of our various product groups and exit any portfolio that doesn’t make a satisfactory contribution to our value added. At the same time, we expanded our portfolio where we saw opportunities, for example with new ideas in the Brands business or the construction of a baby food factory in Strückhausen, which started in 2017. In our opinion, these opportunities aren’t about more volume in mass products, but about earning more margin.

There was evidently also movement in the annual report and sustainability report. Why did you decide on a digital report this year?

The digital report isn’t only low-budget and environmentally friendly. It also gives us

new opportunities in presentation and the chance to reach readers where they look for information: online. It also offers readers a totally different level of convenience in searching for content that’s relevant to them as individuals. Importantly, it enables us to analyse very accurately what interests the report readers, and to use this information in further developing our communication.

Ultimately, we’re talking here about the same fundamental advantages that digitalisation promises on all levels and in all sectors today: expanding and networking the database and increasing efficiency, which lead to improvements in the existing business and the development of new potential. Against this background, we are reviewing and developing digital opportunities on all levels of our business – ranging from sensor-controlled cleaning systems and production analyses to digital service offerings for our customers. Of course, they also include our company’s diverse channels of communication with dairy farmers, employees, stakeholders and the public.

Here, too, there’s a lot still in motion.

When will Germany’s largest dairy company be at peace?

Never. Naturally, it’s been extreme in the last few years: the merger with Humana, the abolition of the quota, the deep crisis in the dairy market and the sweeping change process in our company have kept us all on the toes. However, the idea of peace, a steady state with no more change, is fundamentally utopian.

As Germany’s largest dairy company, we will still be operating in an extremely volatile market going forward. Looking from the opposite angle, that means that as long as the market is on the move, the players have to move as well if they

“We spot and implement trends”

want to win. The important thing is that we know what direction we want to move in.

The excitement continues, then. But how far will this aspiration affect the future?

With the changes in our portfolio, we’re tracking market requirements and focusing more on products with higher added value. To do that, we have to know what our customers want and give it to them – sometimes at speed. Because consumers are willing to pay more money for these products. We’re very well set up for this task now, as shown for example by the successful introduction of trend products like skyr and savoury sliceable cheese in the past year.

As a relevant partner to the retail grocery sector, we’re therefore already in a position to spot and implement trends promptly. This is one of our greatest competitive advantages, also in comparison with other dairy companies. Our trajectory is moving away from raw materials processing and towards food manufacturing.

With all this movement and change – what will remain, what is the essential DMK now and in the future?

For all the changes, our company has a strong core, our DNA, which defines who we are and therefore also how we go about all our activities. Our core is about four aspects that

“We will remain agile”

make the DMK Group distinctive: first and foremost, we are a company of dairy farmers. Our goal is therefore to keep on being a reliable and future-proof partner for them and pay the members of the cooperative the best possible milk price. That defines the second aspect: our entrepreneurial direction as a key company in the European dairy industry. We position ourselves with high-quality products for retailers, industry and bulk consumers with a strong presence in our domestic market and focus on internationally attractive target markets that increase our value creation.

The third integral element is our self-conception as a sustainable company and partner for responsible dairy farming. We set forth as binding and in very concrete terms what we understand by entrepreneurship in harmony with people and the environment in our ambitious 2020 Sustainability Programme. Not least, we see it as our responsibility to keep on being a fair employer for some 7,700 employees at our 20-plus sites.

With the change process, you made pretty heavy demands on these employees last year - around 1,500 of them have taken on new roles since then...

That's true, and we had to reduce our workforce as well. Cuts like that are painful, but they were indispensable to that we could structure our organisation to enable us economically to continue as a secure and a good employer in the future. The changes also include talking openly with employees about our strategy and involving them in the change process with a wide-ranging action package. We mastered a task that wasn't always easy, as demonstrated not least by the fact that employees voted us among the top employers in a ranking by Focus magazine for the sixth

time in a row. This is also evidence of the employees' confidence in the leadership team, and is a compliment and incentive alike for us in this phase of the transformation.

Our business development in the reporting period confirms us in our course and shows that we're on the right track, not in spite of but because of these changes, and that we're protecting our employees' future by them.

Some dairy farmers appear to be less happy. At the beginning of 2018, around 400 million kilos of milk were lost because farmers resigned, more are to leave by the end of 2019. How are you dealing with the falling volume of raw milk?

We have responded to the resignations with the necessary measures, which also include factory closures and workforce reductions. We lost the confidence of our cooperative's members because of the collapse in milk prices in the last few years and the merger, which cost a lot of money initially before it started to pay off. We're battling to win back that confidence. If milk volumes are being lost due to resignations, that also offers our company a big opportunity to develop further within our strategy. In utilising our factories' capacity, we have to think from the point of view of the market and of milk processing. It's not about more volume, but

about margins. In concrete terms, that means we're using the situation to adapt our portfolio and to exit sectors that make no positive contributions to our value added and won't do in the foreseeable future.

Are you streamlining the portfolio in DMK's international business as well?

We are scrutinising everything as part of our change process, there are no "sacred cows". To that extent, of course we're also analysing our foreign activities in detail and making changes where needed. In the past, our products gave us a presence in more than 100 countries, and not every business is equally profitable in that scenario. Because we're focusing our international activities on value added, not volume, we've reined them

back in countries where we operate mainly as exporters of standard merchandise, and we're concentrating on countries where we make a profit.

Finally, a glance at the future: what are your expectations going forward?

We're exercising caution as far as concrete forecasts are concerned, given the extreme volatility of the dairy market. However, it is clear that we are facing challenges: milk volumes have risen after the positive developments of the past year, but demand hasn't kept pace with that. As a result, prices are still under pressure. However, that situation applies to the entire industry.

We're concentrating on staying competitive. That worked very well last year - not just because our portfolio was a good fit with market conditions, but also because we had taken our company forward in a sensible way. We'll go on with that this year and remain agile.





Food-Service



Uniekaas

sanotact



Our milk – delicious variety

Cheese
Fresh dairy products
Baby food
Ice cream
Ingredients

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Cheese is one of our core competences

In the little town of Nordhackstedt (450 inhabitants), just 12 kilometres from the Danish border, the entire focus of attention will soon be cheese, cheese and nothing but cheese. It won't be long before an incredible 70,000 tonnes of mozzarella start to roll off the production line here - every year. DMK is investing 15 million euros to convert the cheese site in the north of Germany to a pure mozzarella factory by the end of 2018.

It's an investment in a big trend market: global demand for mozzarella is growing in food service and with industry customers. Studies show that the European market for mozzarella is likely to rise from 600,000 tonnes in 2017 to around 720,000 tonnes in the year 2022.

Whether classic or speciality - DMK has the experts

A strong force in the mozzarella trend is the global boom in pizza. However, DMK pleases the palate of others as well as the pizza fans. Cheese in virtually every form is one of the company's core competences. Every cheese has its own special character. Manufacturing, maturation processes and taste profiles vary widely: a soft cheese ripens from the outside inwards, a sliceable cheese, on the other hand, ripens evenly throughout the whole block. We have high-quality cheeses maturing at a total of eleven sites in Germany and the Netherlands - for the deli counter in supermarkets, professional chefs and industry customers. Particularly popular is the broad

product range from MILRAM, which cheese aficionados can find on virtually every cheese counter in Germany.

Studies have shown that wide variety is a key purchasing criterion for cheese fans. DMK's leading brand accordingly offers a wide assortment, with originals, classics and specialities. In March 2017, the DMK brand specialists took up the trend of savoury sliceable cheeses and regional products - and served their cheese fans the new MILRAM Küstenkäse, followed in 2018 by Müritzer herzhaft. Consumers are delighted: MILRAM was able to significantly increase its sales volume and market share in self-service cheese in the retail grocery sector.

The international cheese "newcomers" in DMK's portfolio are also developing extremely well: Russian acquisition RichArt, an acquisition in 2016 which mainly produces speciality cheeses, already made a positive contribution to profit in its first full year. The outlook is similarly promising for Uniekaas, the oldest Dutch Gouda cheese brand, which we acquired in 2017. This heritage brand rounds off the international brand offering for the entire Benelux region. Export brand Oldenburger also further heightened its profile in retailing and food service. The DMK Group thus has the future firmly in its sights and continues to grow more and more in stature as a cheese specialist.

- Hard and sliceable cheeses
- Mozzarella
- Naturally ripened and film ripened
- In the block, in slices or portions, grated, shredded or cubed

- Fresh and long-life drinking milk
- Long-life milkshakes
- Curd (plain and with added ingredients)
- Cream and cream products
- Fresh and long-life desserts
- Yoghurts
- Butter
- Mascarpone

Leading with trend products

Milk is our raw material - and our very great passion. Our farmers in the cooperative in Germany and the Netherlands and our dairy production company's contract partners supply us with around 8.1 billion litres of milk every year - that's more than 22 million litres of milk a day. It's the equivalent of 220,000 bathtubs full every day! Our factories turn it into valuable foods for the home market and abroad.

In 2016 we followed consumers' wishes and gained the right to attach the "ohne Gentechnik" ("not genetically modified") label to our fresh milk. More selected products followed in 2017. DMK has now grown into the market leader for non-GMO dairy products in Germany. We more or less converted the DMK Group's entire product range for the home retail grocery sector. This transformation was successful thanks to our strong cooperative: More than 2,000 farmers converted their farms to non-genetically modified feedstuffs within 18 months. These farmers supply us with more than 2.3 billion kilos of milk a year.

DMK introduce the traditional Icelandic product skyr in a variety of product categories last year - a new fresh dairy product with enormous potential. In this sector, too, we have now become one of the most significant producers in Germany - and supply retailers with fruit and

plain skyr, skyr ice cream and skyr drinks. The sustained trend for protein foods has played a major role in the development of DMK's product assortment since last year, having a particular impact on the business with curd, skyr and whey products. Curd is one of the classic protein providers in a balanced diet. MILRAM also captured an excellent position in this segment in 2017 - with a share of almost 45 percent in the total market for savoury curd, tzatziki and sour cream.

Swift translation of consumer trends into products is part of our strategy for success. MILRAM launched a to-go concept in the ultrafresh section, for example. The product assortment, which consists of curd cream, rice pudding and skyr, has toppings such as fruit or muesli added directly in the store and is presented in the chilled cabinet as ready-to-eat snacks with a handmade character.

Specifically for professional chefs who run restaurants, canteens or catering operations, MILRAM Food Service also develops trendy convenience products such as a new fresh mild sour cream that is used, for example, in tarte flambée. We are also pursuing new paths with another trend product in fresh dairy: two years ago, we had our first DMK site certified as a "Meadow Milk" manufacturer. We selected local dairy farms as suppliers to the factory.



Our milk makes babies happy

For the very tiny there's infant formula, for the slightly older toddlers there's organic food in jars, cereals, teas and juices. More than 50 million parents all over the world already entrust their children's nutrition to DMK. The Humana brand has been famous for high-quality baby foods "Made in Germany" for 60 years now. Italian bambini are particularly fond of our milk. Demand is also rising strongly in Asia. The global baby food market is growing by around five percent per year.

That's why DMK is focusing on the tiny tots and their parents - and investing in the future. In 2017, the company started to convert the traditional dairy site of Strückhausen into a new factory for baby food - to be completed in record time. Production in the new facilities is to start in the autumn of 2018. Powdered infant formulae will come off the production lines in large quantities at the Humana brand's new home. The claim of the future will be: "Humana - for mommy and me". A feature of particular importance to "mommy" and "daddy": only non-GMO milk is used for Humana - milk from cows that have eaten no genetically modified feeds.

The baby formulae are made to different recipes for Germany and for international markets that span the globe. Humana successfully adapts the brand to different customer needs. In the hard-fought European market of Italy, DMK is already the market leader in the area of special and newborn formulae and displays steady growth in all other infant formula segments.

A six-hour drive south of the new Humana factory lies another facility where high quality and babies' health are also the central focus of research and production: Sunval, DMK's subsidiary in Waghäusl. Parents trust the DMK company and like to nourish their babies with cereals prepared with fresh, healthy ingredients. In an area of more than 8,000 square metres and with three production lines, organic and Demeter solid baby foods are produced at Sunval, for Alnatura and dm among other retailers. The company has been making organic food for babies for 60 years now, and is still growing. DMK is investing in this factory for organic jarred baby foods in the current year as well.

1950

was the year when **Humana** developed the first infant formula modelled on breast milk

10,000

drug stores and supermarkets throughout Europe stock organic jars from DMK

- Infant formulae and special formulae
- Cereals
- Jarred foods
- Desserts
- Teas and water
- Food supplements for babies and nursing mothers

- Wafer cones
- Ice lollies
- Ice cream in small and family-sized tubs in various sizes
- Ice-cream wafers
- Nachos

New ideas for ice cream are our passion

So cool and so delicious: creamy Baileys to lick, skyr ice lollies or fruity strawberry ice cream to spoon up ... DMK's three new trend ice cream lines have been in production in our ice-cool "dream factories" in Everswinkel, Waldfeucht-Haaren (both in North Rhine-Westphalia) and Prenzlau (Brandenburg) since the spring. In April 2018, MILRAM moved into the deep freeze section with two varieties of its innovative skyr ice cream and three varieties of buttermilk ice cream.

At the same time, in cooperation with Baileys, the Irish liqueur brand, DMK launched different varieties of Baileys ice cream in tubs and as ice lollies. Number three is the heritage brand Sanobub, which originated in 1949. With well-known varieties in a new, modern livery, it awakens our ice cream fans' childhood memories. The flavours have quirky names that allude to the ingredients, such as chocolate, vanilla and strawberry.

We love ice cream - it has been our passion for more than 60 years. Why? We have the best raw materials and state-of-the-art production systems, employees with loads of experience and an instinct for trends. Whether wafer cones or ice lollies - we love creating new product and packaging ideas. For example, our product developers have addressed the strong consumer trend for high-protein nutrition and created the first ever skyr ice on a stick - particularly high in protein and low in fat.

Our customers can depend on DMK's high quality: we continuously monitor raw materials, ingredients and processes. This is reflected in our consistent high certification results (IFS Food, DIN EN ISO 14001, DIN EN ISO 22000, DIN EN ISO 50001, Q&S). In addition, more and more of our ice cream is made from sustainable raw ingredients which are certified to standards such as UTZ, organic or RSPO.

Every German citizen consumed an average of 7.9 litres of ice cream in 2017. That corresponds to around 113 balls. 80 percent of that total consisted of ice variations from industrial manufacturers. In the future, DMK wants to position itself even more strongly as a partner for customers in the retail grocery sector - including internationally - and to open up new markets.

113

balls of ice cream

every German citizen consumes per year

There's a bit of DMK in many of our favourite foods

Products for manufacturing industry

- Butter
- Milk powders
- Cheese
- Cream/evaporated milk
- Concentrates
- Semi-finished products
- Whey powders
- Non-dairy products

At first glance, it sometimes doesn't look like milk at all, but there's a little bit of DMK in many of the foods we love: pizza or tarte flambée, croissants or cake, cappuccino or chocolate. And nowadays, even in vegetarian alternatives to fish and chicken.

We love our ingredients and use our own raw materials to make products for food manufacturing. This leads to a wide range of possible applications using cream, butter, cheese or special powders. DMK is also one of the world's largest whey producers. Due to its many essential amino acids, whey protein is regarded as the highest-value protein there is. With the joint venture ArNoCo and subsidiary wheyco, DMK has specialised in the development, production and marketing of highly concentrated whey proteins. Both companies source their raw material, which is produced in the manufacturing of cheese and curd, directly from our DMK cheese factories - an immense competitive advantage in the light of the global rise in demand for whey products. wheyco processes fresh whey every day to make whey protein concentrates - for baby food and sports nutrition and for the beverages, baked goods, meat and dairy industries.

The DMK subsidiary DP Supply also offers strong ingredients solutions for B2B partners: the company specialises in non-dairy products

and produces high-fat special powders - which go into baked goods, soups, sauces and snacks, hot and cold beverages, meat products and ice cream. New highlights include whipping emulsifiers for desserts and foamers for cappuccino.

In our application technology research lab, customers can experience our extensive product range and possible applications for themselves. For example, our team uses baking experiments to test and analyse the intensity of butter flavours and develops recipes for the application of ingredients - together with the customer. With this approach, we can develop the optimum products for our partners and produce specific processing instructions.

And our cows even supply the basis for vegetarian alternatives to meat now. DMK researchers are working on the development of new products containing textured dairy proteins (TDP). The result will be foods that are similar in texture to chicken, fish, tofu or peanut flips, for example.

Our goal is to identify high-potential markets early on for our partners, and to build long-term customer relationships in the foundation of products and services that match demand. Thanks to innovative technologies, we can fulfil practically any wish. Quality plays a central role in this.

Responsibility for people, cattle and the environment

Our raw material is a natural product. We take responsibility for the welfare of our dairy cows and the protection of the environment. We develop state-of-the-art, sustainable production methods in our research labs. Our employees give the DMK Group top marks.

Sustainability

As the largest dairy company in Germany with more than 7,500 dairy farmers, environmental protection and resource-friendly production are among our core tasks. Our environmental protection measures pay special attention to dairy farming, since it accounts for 70 percent of dairy products' ecological footprint. Factors influencing this footprint are the feedstuffs used, the application of fertilisers and the milk yield.

Half of our farmers are already using soya feedstuffs that have not been genetically modified and are certified as sustainable. Almost 20 percent of the farmers use no soya at all. We use water carefully. Across all DMK sites, the water

consumption per kilo of raw milk input is 1.09 litres. This ranks our factories significantly below the nationwide average for other German dairy companies of 2.05. Overall, we have succeeded in reducing the consumption of fresh water by 3 percent within two years.

A particularly important concern for us is the welfare of thousands of cows all over Germany. The DMK Group's Milkmaster Programme, developed in the year 2014, encourages animal welfare and sustainability on a wide-ranging basis. Our farmers receive targeted advice on cow comfort, animal health, feed cultivation, feeding and milk quality among other topics.

The majority of our sites is already certified in accordance with the environmental management standard ISO 14001. DMK achieved the top rating of "Gold" in the EcoVadis ratings for the first time in 2017, with 71 out of 100 points. EcoVadis is a rating agency that assesses sustainability by the criteria of the environment, social issues and ethics.



Research

New products and more efficient production processes, top quality and consumer-friendly packaging - DMK is constantly re-inventing milk. Our two Milk Innovation Centers (MICs) are located at the Zeven and Edeweicht sites. Experienced developers and technicians carry out research there into modern solutions relating to milk. New products are fed through the innovation and new product introduction process (IPP), from idea to implementation, and then launched on the market.

DMK makes targeted investments in raw milk research. Specialists from the Innovation and Research & Development departments support our business units in designing innovative products, services and processes. In addition, four business units have been assigned their own development departments, enabling them to respond faster, more directly and more efficiently to customers' wishes. DMK cooperates with institutes, universities and other research establishments in German and internationally. The company worked on a total of 389 research projects in 2017. DMK published 14 technological patent specifications. The company guarantees seamless quality assurance from the farm to the supermarket shelf for all products. This resulted in DMK products receiving a total of 304 awards from the German Agricultural Society (DLG) in 2017.

Top employer

Our goal is to increase our company's value added and thereby continue to be a forward-looking and fair employer. For us, people are central. We create a working environment in which employees can feel happy and develop further. We are also committed to high-quality training. More than 200 apprentices

were in training in 15 professions at DMK in 2017. 60 new apprentices will start in the summer of 2018.

Once again, our employees awarded us top marks in the Focus rankings. The magazine once more awarded the DMK Group a top position as one of the best employers in Germany - making 2017 the sixth time in succession. Our employees particularly praise their interesting tasks, solidarity among colleagues, the friendly working atmosphere and the social security-related benefits. We support our employees in ensuring that work is compatible with family life. For example, parents often use our backup service, which steps in at short notice when someone's regular child care is not available.

As of January 2018, there is a new service department for all employees which operates like a modern citizens' advice office. As the central and first point of contact, it collects employees' queries and either answers them directly or passes them on to specialists in the Human Resources department.

304

awards
for DMK products

DMK Group: facts and figures

As Germany's largest dairy cooperative, the DMK Group makes milk into foods of the highest quality with around 7,700 employees at more than 20 sites in Germany and the Netherlands. The product assortment ranges from cheese, fresh dairy products and ingredients, baby food, ice cream and health products, to special animal feeds. MILRAM, Oldenburger, Uniekaas and Humana

are brands that enjoy the full confidence of consumers at home and abroad and make the company an established name, both in its home markets and selected target markets around the globe. As the fourth-largest supplier to Germany's grocery retailers and with a turnover of 5.8 billion euros, the DMK Group is also one of the leaders of the European dairy industry.

1. OUR VALUE ADDED

5.8

billion euros in sales



2. ORGANISED IN SIX BUSINESS UNITS (BU)

<p>Private Label</p>	<p>Industry</p>	<p>Ice Cream</p>
<p>Brand</p>	<p>Baby</p>	<p>International</p>

3. OUR SITES

June 2018



4. THE PEOPLE BEHIND THE DMK GROUP





You will find further information in the digital Annual Report and Sustainability Report 2017 at www.dmk.de.
