



Euro Cater
CSR Report
2017 // 2018





Contents

P. 3

Comments from the management

P. 4

About the company

P. 6

CSR strategy and focus areas

P. 9

Sustainable trading

Food safety
Supply chain management
Sustainable product range

P. 14

Sustainable operations

Energy
Transport
Waste and food waste

P. 19

Good workplace

Skills
Sense of community
Health and safety

P. 22

Accounting policies

P. 23

Company profile

Respect for food and people

The production, trade and consumption of food is a natural basic element in our everyone's lives. And we are seeing an increasing focus on and demand that our food be healthy and sustainable. Euro Cater takes pride in being part of this development, and we are very humble about our role as the supplier of the raw ingredients and solutions our customers need.

Our mission is to make it easy for our customers to serve healthy, inspiring and responsibly produced food. This is a journey the entire industry is undertaking, and we see it as our role to constantly strive to become a little more sustainable in our operations and product range. While continually making it easy and attractive for customers to make slightly more sustainable choices. We will always offer a full range of products at attractive prices. So our contribution to more sustainable food consumption derives from a combination of becoming more sustainable in our own operations and helping our customers to do the same.

During the past year, we developed a new policy for eggs. We are committed to phasing out cage eggs in our own production by 2020. At the same time, we are also committed to phasing out cage eggs as commodities by 2025; this applies to liquid egg products as well as eggs in their shells.

During the year, our Danish webshop was upgraded to help minimise food waste so that we can sell products that are approaching their expiry date at favourable prices. We believe this will make a difference to food waste in our part of the value chain.

We have also made it easier for customers to choose more sustainable products in the webshop. With a single keystroke, customers can select GMO-free (not genetically modified) products, FairTrade products, organic products or MSC/ASC-certified fish and seafood. We expect this to boost the sales of sustainable variants.

” We are committed to phasing out cage eggs in our own production by 2020.

Steen D. Pedersen
CEO, Euro Cater/Dansk Cater

Henrik Ellegaard
CFO, Euro Cater

Lars Carlsson
CEO, Svensk Cater



About the company

FINANCES

Revenue:

9.178

mio. DKK.

EBITDA:

619

mio. DKK.

Equity:

1.685

mio. DKK (end of year)



EMPLOYEES

2.262

full-time positions

1.517

in Denmark

745

in Sweden



SITES

- 35 distribution sites
- 3 inco cash and carry sites

TRUCKS

Number of own trucks: Approx.

400



Denmark: Approx.

300

Sweden: Approx.

100

COMPANIES

- AB Catering
- BC Catering
- inco
- Cater Grønt
- Cater Food
- Svensk Cater
- Nordsjöfisk



About the company

Euro Cater is active in the food-service market in Denmark and Sweden. From our 35 sites, we sell food, beverages and non-food articles for all types of professional kitchens, restaurants, cafés, canteens, nursing home kitchens, inns, hospitals, bakeries, butchers and cafeterias in both the private and public sectors. From the smallest hot-dog stand to the largest kitchens.

CORPORATE SOCIAL RESPONSIBILITY

Every day, several hundred trucks deliver food from our refrigeration and cold storage facilities to Danish and Swedish kitchens. We are well aware that this is not possible without impacting the world around us.

Through targeted efforts for individual groups of stakeholders, we seek to minimise any negative consequences of our activities.

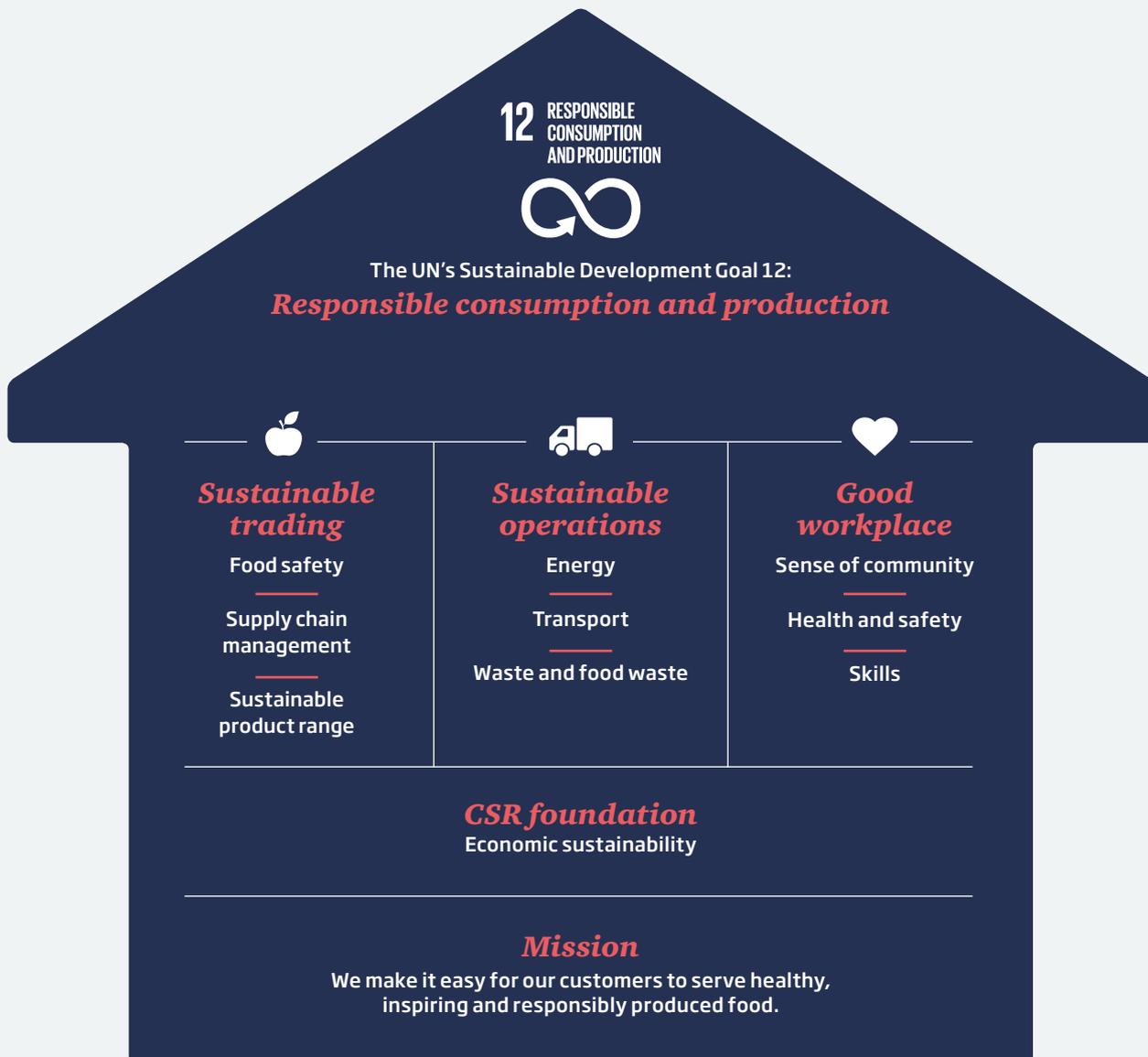
Our mission:

We make it easy for our customers to serve healthy, inspiring and responsibly produced food.



Respect for food and people

We call our CSR strategy 'Respect for food and people'. Because we want to conduct our business with respect and care for food as a resource – and for the people involved in the entire farmland-to-fork value chain.

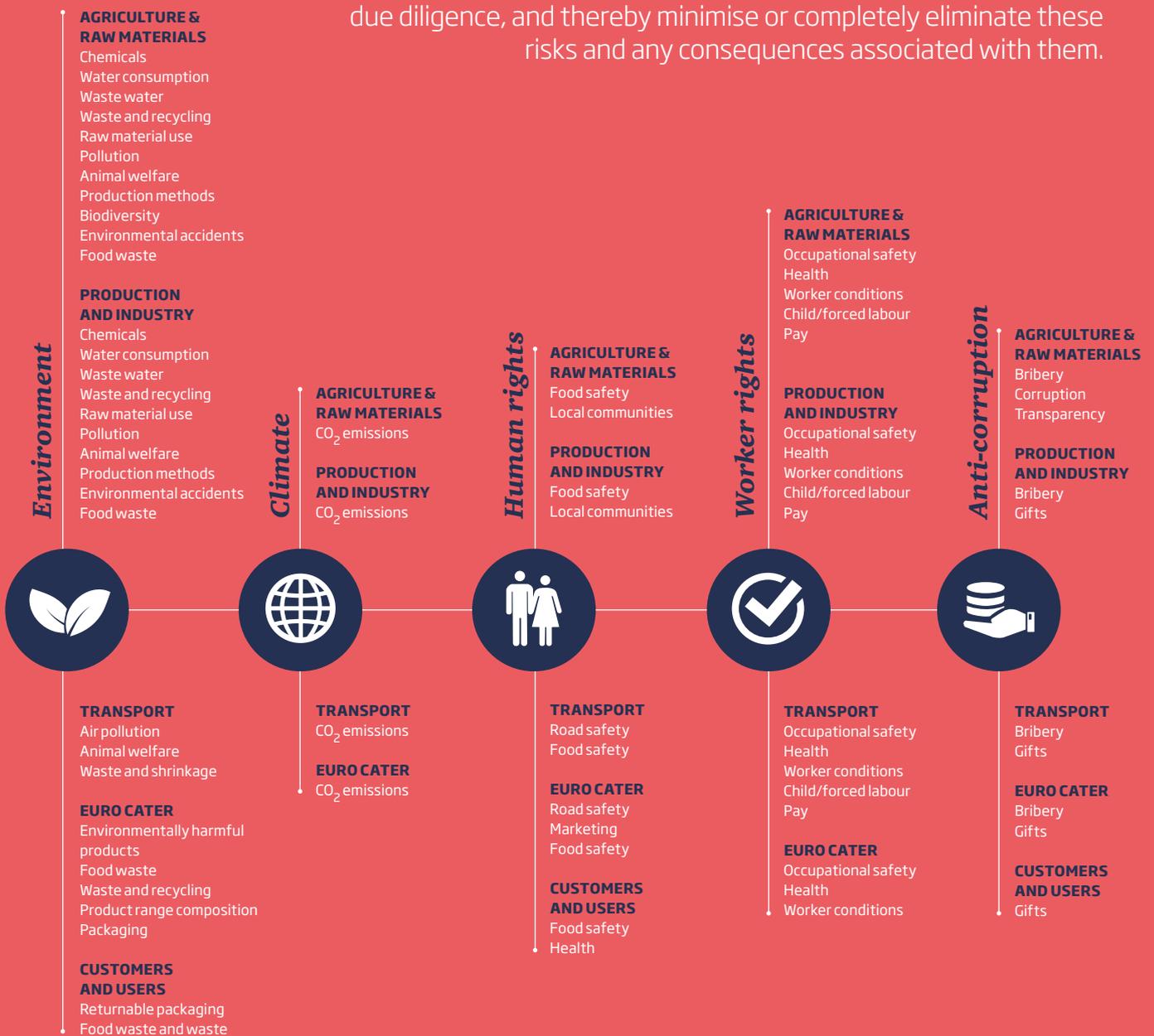


Our CSR strategy is the result of a dynamic process of desk research, discussions and prioritisations by the managements and the boards of directors of Dansk Cater and Svensk Cater, followed by its consideration and approval by Euro Cater's steering committee for CSR. The CSR strategy will be reviewed and updated each year.

Value chain and risks

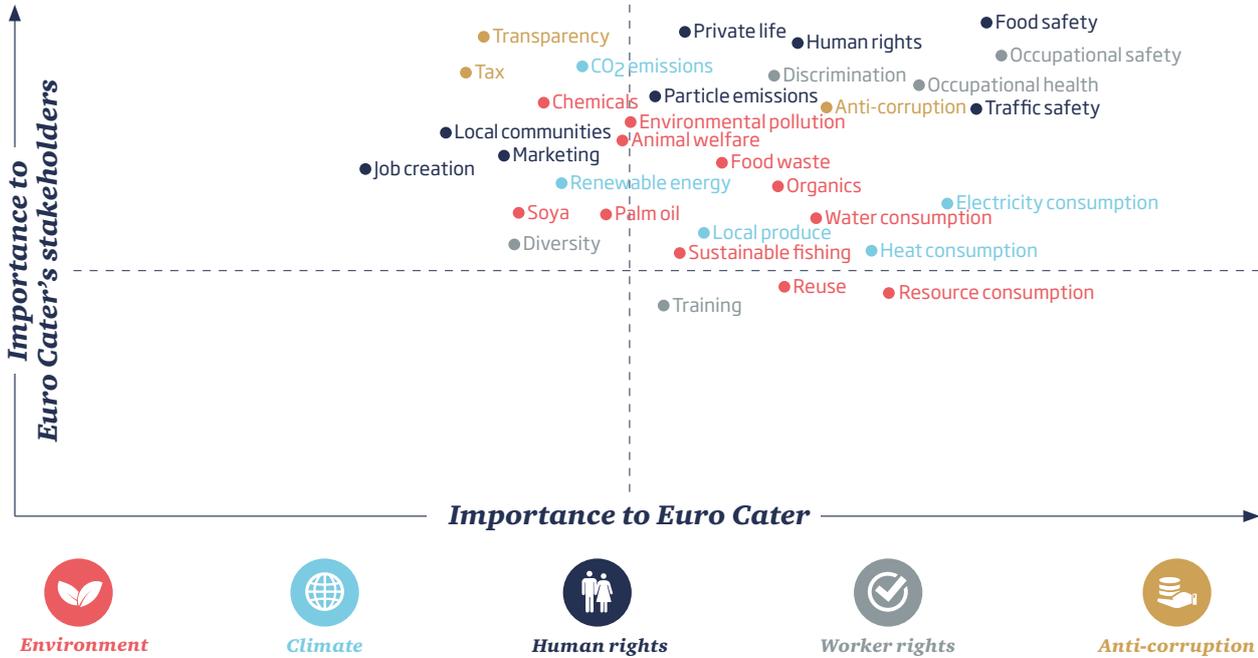
As part of the strategy process, we have carried out a number of analyses, including a risk analysis of the areas in our value chain in which we have – or risk having – a negative impact on the world.

We see it as our responsibility to try to minimise these negative impacts. Through regular follow-up, we ensure that we exercise due diligence, and thereby minimise or completely eliminate these risks and any consequences associated with them.



MATERIALITY

Based on all the analyses, including the risk analysis, we have summarised the results in a materiality assessment which identifies the CSR issues that are of the greatest importance to both Euro Cater and our external environment. In other words, the areas which we should prioritise in our CSR strategy.



We have carefully studied the 17 Sustainable Development Goals and associated sub-goals defined by the UN. We believe that our position in the value chain gives us the opportunity to proactively inspire responsible consumption among our customers and promote sustainable principles in our supply chain. Moreover, we can contribute actively to reducing waste and food waste throughout the value chain. All this is part of Sustainable Development Goal 12, which is therefore the central Sustainable Development Goal in our CSR work.



Sustainable trading

Given our place in the value chain, our trading activities are central to our value creation. We have chosen to focus on food safety, supply chain management and a sustainable product range in order to ensure the structured development of sustainable trading.

FOOD SAFETY



The basis for everything we do for our customers is an uncompromising approach to food safety. People must be able to work with all our local sites with confidence and safety.

During the past year, we certified yet another site. The entire company therefore now has ISO 22000 food safety certification except for one site. As part of our ISO 22000 certification, we have conducted internal audits during the past year of all our sites, and external and independent third-party audits of all sites but one.

Dansk Cater is a member of the Danish Ethical Trading Initiative (DIEH)

DIEH is a Danish organisation, the purpose of which is to promote ethical international trading. This entails a sharp focus on respect for human and labour rights, the environment and the climate, as well as ethical corporate governance, including anti-corruption, discrimination and governance.



www.dieh.dk



Number of elite smileys

15 of 16 sites in Denmark have elite smiley status (as of September 2018)

There is no similar system in Sweden.

”As part of our ISO 22000 certification, we have carried out audits in all departments in the past year.



SUPPLY CHAIN MANAGEMENT

About 80% of the company's procurement is made from large, well-known suppliers of branded goods, with whom we have been working for many years. The last about 20% of our procurement is made from a very wide group of partners. We therefore focus strongly on ensuring a high level of CSR responsibility among our suppliers. We do so through our supply chain management.

Human rights and anti-corruption

In our trading, especially with our foreign suppliers, there is an indirect risk that human rights are not respected throughout the value chain. We have therefore drawn up a policy on human rights, which is based on the principles of the UN Global Compact. Moreover, we have drawn up an anti-corruption policy, which applies to both ourselves and our suppliers.

These policies are implemented in dialogue with suppliers, and are subject to regular follow-up procedures. The main tool is our Supplier Code of Conduct, which we intend to gradually ask all our suppliers to accept. In Denmark, suppliers representing 38% of our procurement have so far signed our Supplier Code of Conduct, and in Sweden the share is 42%. Overall, 39% of our procurement volume is now covered by our Supplier Code of Conduct.

Supply chain management has been systematised

We make formal requirements for responsible conduct on the part of our suppliers and work systematically with registration, control, follow-up and the continued development of our individual partnerships. We have therefore developed a system for risk assessment of the individual suppliers. In Denmark, we have assessed suppliers representing 99% of our total procurement volumes, and in Sweden we have assessed 45%. Overall, we have assessed suppliers representing 81% of our procurement volumes. Our aim is to eventually have all suppliers assessed.

”Overall, we have assessed suppliers representing 81% of our procurement volumes.

We developed a self-evaluation form during the year which we will ask suppliers to complete at some point. All the requirements in our Supplier Code of Conduct are described in this in detail, so it gives us a very clear snapshot of the status and possible issues among our suppliers. During the past year we assessed Euro Cater based on this self-assessment. We discovered a few things that were lacking, such as broader internal training in our policy on anti-corruption, and this will be addressed over the next year.

Training procurement staff

We are focusing in both Denmark and Sweden on continually training our purchasers in responsible procurement. We have created a new position in Sweden with responsibility for training and increasing focus on education in areas such as sustainable product range and procurement in Sweden.



CALL TO SWEDISH CONSUMERS

The food market was affected by severe drought during the summer of 2018. Local food producers have generally been hard hit by poor harvests and a lack of feed. This led to a meat surplus on the market, and falling prices for producers. Euro Cater's subsidiary, Svensk Cater, therefore joined forces with a number of strong stakeholders from the Swedish food industry. We want to help rouse the Swedish consumers in order to increase the demand for Swedish produce. By focusing on the purchase of locally produced meat and vegetables, Euro Cater can help the Swedish farmers, who were hit hard by the extreme summer.



GASTRO KALV

Euro Cater has developed 'Gastro Kalv' veal in collaboration with Danish Crown. The aim is to draw attention to animal welfare and ensure a delicious high quality product for customers. The calves are born and raised in Denmark and carefully selected from breeds such as Charolais, Belgian blue and Hereford. They have extra room in the stables and access to outdoor spaces.



'GUTTERNE PÅ KUTTERNE'

Euro Cater wishes to promote careful fishing. We are the only player in the foodservice industry to work with Thorup Strand Fishermen's Guild, known from the Danish 'Gutterne på Kutterne' (cutter guys) TV documentary series. At Thorup Strand, they fish during daylight hours and without using destructive fishing equipment.

SUSTAINABLE PRODUCT RANGE

We want to spearhead the development of products and solutions that make it easy for customers to make sustainable choices. For our customers, it must still be possible to get exactly the products they want. But we will do what we can to make it easy and attractive for our customers to make sustainable choices. We believe that this is the right approach to changing consumer habits in the food industry in both the short and the long term.

Requirements for products and product range

Our product policy covers areas such as organics, animal welfare, fish and shellfish, local produce, palm oil and eggs. It helps us to address and handle ethical and environmental issues in our everyday working lives and serves as a guideline for our procurement staff. We will add more elements to our product policy as the need arises.

One of our focus areas is palm oil, which has a major impact on the environment, the climate and biodiversity. A single site in the group uses palm oil in production, and only RSPO-certified oil is used.

Ensuring sustainable fish stocks is also a focus area. With this in mind, all

our sites in Denmark and Sweden are certified according to both the MSC (sustainable wild-caught fish) and the ASC (sustainable aquaculture fish) standards. Consequently, we can offer guaranteed sustainable fish caught using gentle fishing methods throughout the company. As part of our MSC/ASC certifications, in the past year, we have carried out internal audits on all our sites as well as independent external third-party audits.

We introduced a new policy for battery eggs during the past year. We are committed to phasing out cage eggs in our own production by 2020. At the same time, we are also committed to phasing out cage eggs as commodities by 2025; this applies to liquid egg products as well as eggs in their shells.



Swedish KRAV labelling

External audits have been carried out at all our Swedish sites in accordance with the Swedish KRAV labelling scheme, which ensures high standards for animal welfare, health, social responsibility and climate impact.



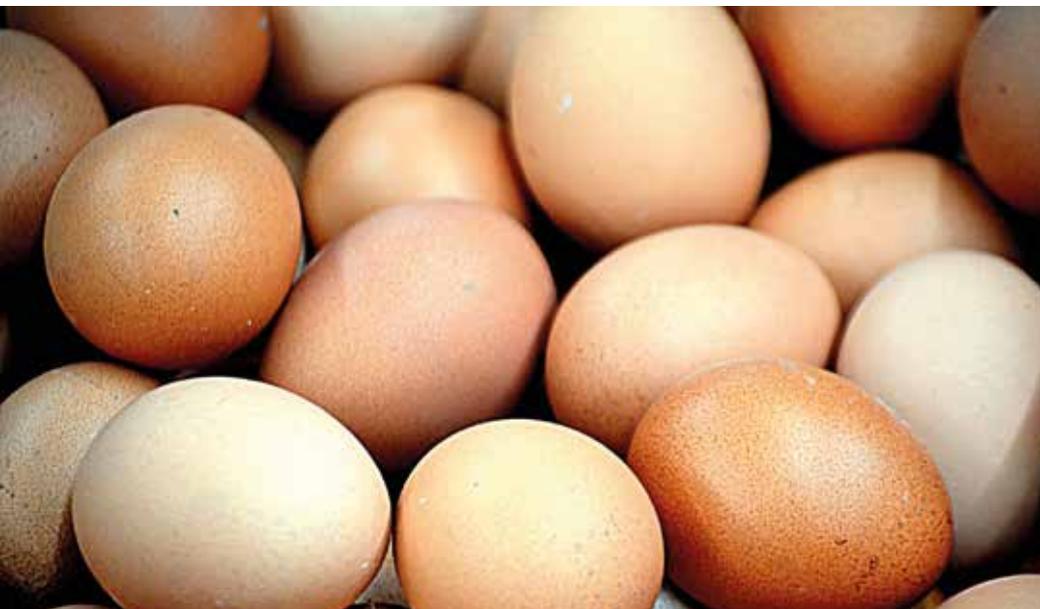
SKOVGAARD MANOR

Euro Cater has signed a partnership agreement with Skovgaard Manor on Langeland Island to promote organic vegetables and the production of organic lamb and steers. Through the use of a richer fauna, insects and flower belts, there is a focus on developing a different kind of organic production with greater biodiversity. Skovgaard Manor is owned by the Danish Society for Nature Conservation. Skovgaard Manor also works with social initiatives, such as one involving staff from Søbysøgård Prison on Funen. A nature school has also been created. The aim is for this to serve as a training centre for future organic production, disseminating new methods for production under climate change.



DANISH ØKOJORD

Euro Cater invested in Danish Økojord A/S during the past year, a company under the Danish Organic Farming Foundation. The Fund, which is owned by the Danish Society for Nature Conservation and Økologisk Landsforening was created to purchase conventional agricultural land under the threat of foreclosure and lease it to young farmers who wish to convert to organic farming. The aim is to increase the organic share of Danish agriculture, while also contributing to a sustainable handover to the next generation in agriculture.



ANNUAL RESULTS 2017 / 2018

RISKS	FOCUS AREA	GOALS	ACTION	RESULT
Food safety	Food safety Policy Food safety	<ul style="list-style-type: none"> ▶ Two sites in Sweden ISO 22000-certified ▶ Internal audits of all sites carried out ▶ External audits of all sites carried out ▶ Elite smiley for all Danish sites 	<ul style="list-style-type: none"> ▶ ISO 22000 certification process at two sites in Sweden ▶ Internal audit process ▶ External audit process 	<ul style="list-style-type: none"> ▶ 1 site in Sweden ISO 22000-certified (now all sites but one are certified) ▶ 35 internal ISO 22000 audits carried out ▶ 34 external ISO 22000 audits carried out ▶ 15 of 16 Danish sites have received elite smileys
All risks	Supply chain management Policy Human rights Worker rights Anti-corruption Environmental policy Climate policy	<ul style="list-style-type: none"> ▶ 40% of suppliers (by volume) have accepted Code of Conduct ▶ 70% of suppliers (by volume) risk-assessed ▶ Ongoing training of procurement staff in supply chain management ▶ Self-evaluation developed 	<ul style="list-style-type: none"> ▶ Code of Conduct has been sent out to selected suppliers ▶ Risk assessment performed for existing and new suppliers ▶ Self-evaluation developed 	<ul style="list-style-type: none"> ▶ 39% of suppliers (by volume) have accepted Code of Conduct ▶ 81% of suppliers (by volume) risk-assessed ▶ Self-evaluation developed
Transparency Human rights CO ₂ emissions Chemicals Environmental pollution Animal welfare Soya Palm oil Organics Resource-consumption Sustainable fishing Local produce	Sustainable product range Policy Product policy Environmental policy	<ul style="list-style-type: none"> ▶ Organic products promoted in our webshop ▶ Content of MSC/ASC-certified products in own production mapped ▶ Continue to train procurement staff in the development of sustainable product assortment ▶ Continue to train sales staff in sustainable selling 	<ul style="list-style-type: none"> ▶ Promotion of, for example, organic products in webshop ▶ Mapping of content of MSC/ASC-certified goods in own production ▶ Research and stakeholder involvement in relation to eggs 	<ul style="list-style-type: none"> ▶ Organic products promoted in our webshop ▶ Content of MSC/ASC-certified products in own production mapped ▶ Egg policy developed ▶ Eggs from caged hens partially phased out in own production



RSPO (Roundtable on Sustainable Palm Oil)

▶ RSPO is a global organisation that works with all parts of the value chain to advance the use of sustainable palm oil. The RSPO has developed a set of guidelines to ensure that the certified palm oil has been produced sustainably. The RSPO has more than 3,000 members worldwide - including Euro Cater.

ADVISORY SERVICES, SELLING AND MARKETING SUSTAINABILITY

We are aware that as a wholesaler we have a joint responsibility for inspiring our customers to make sustainable choices.

During the past year we launched new functionality in our webshop, giving greater focus to campaigns involving sustainable goods. It is now easier for customers to choose more sustainable products in the webshop. With a single keystroke, customers can select GMO-free (not genetically modified) products, FairTrade products, organic products or MSC/ASC-certified fish and seafood. We expect this to boost the sales of sustainable variants.

During the year, our webshop was also upgraded to help minimise food waste by pushing products that are approaching their expiry date out to customers at favourable prices. We believe this will make a major difference to food waste in our part of the value chain.

To support these initiatives, we have increased our focus on ensuring that our product database contains all relevant information on sustainability.

Training and education

In order to push more sustainable products into the market, we are continually training our sales consultants how

to advise customers, to make it easier for them to choose the right solution among the growing number of sustainable products in our range.

”It is now easier for customers to choose more sustainable products in the webshop.

OBJECTIVES 2018/2019

RISKS	FOCUS AREA	GOALS	PLANNED ACTIONS
Food safety	Food safety Policy Food safety	<ul style="list-style-type: none"> ▶ One new site has been ISO 22000-certified ▶ Internal audits of all sites carried out ▶ External audits of all sites carried out ▶ Elite smiley for all Danish sites 	<ul style="list-style-type: none"> ▶ Carry out external ISO 22000 audits of all locations ▶ Carry out internal ISO 22000 audits of all locations
All risks	Supply chain management Policy Human rights Worker rights Anti-corruption Environmental policy Climate policy	<ul style="list-style-type: none"> ▶ 50% of suppliers (by volume) have accepted Code of Conduct ▶ 90% of suppliers (by volume) have been risk-assessed ▶ Ongoing training of procurement staff in supply chain management ▶ Self-assessment carried out in Denmark/Sweden 	<ul style="list-style-type: none"> ▶ Code of Conduct has been sent out to selected suppliers ▶ Risk assessment of existing and new suppliers ▶ Training of more procurement staff in supply chain management ▶ Complete self-assessment
Transparency Human rights CO ₂ emissions Chemicals Environmental pollution Animal welfare Soya Palm oil Organics Resource consumption Sustainable fishing Local produce	Sustainable product range Policy Product policy Environmental policy Climate policy	<ul style="list-style-type: none"> ▶ 100% of palm oil used in our own production is RSPO-certified ▶ 65% of palm oil sold (off-the-shelf) is RSPO-certified ▶ 100% of sites MSC/ASC-certified ▶ Internal and external MSC/ASC audits conducted in selected sites ▶ External KRAV audits conducted for all Swedish sites ▶ Organic products promoted in our webshop ▶ Procurement staff trained in the development of a sustainable product range ▶ Sales staff trained in sustainable selling 	<ul style="list-style-type: none"> ▶ Continue conversion to MSC/ASC in our own production ▶ Promote eggs from non-battery hens ▶ Promote RSPO palm oil ▶ Internal and external MSC/ASC audits conducted in all sites ▶ External KRAV audits conducted for all Swedish sites ▶ Promotion of, for example, organic products in webshop ▶ Training of procurement staff in the development of sustainable product range ▶ Training of sales staff in sustainable selling

Sustainable operations

Euro Cater serves customers from the northernmost top of Sweden to the southern parts of Denmark. We operate locally from our 35 sites and deliver extensive and flexible service to our customers. We have identified that our company mainly impacts the environment in relation to energy, transport, waste and food waste.

Environment and climate policy

We implement our initiatives for a better environment through our environment policy. The purpose of this policy is to reduce our environmental impact through, among other things, less food waste, the reuse of resources where possible and many other initiatives, the idea being that many small steps can have a relatively large positive effect.

ISO 14001 Environment



All sites have been ISO 14001- certified. We have carried out internal and external audits of all our sites in the course of the year.

The aim of our climate policy is to guide us in reducing impact on the climate, among other things through a special focus on waste minimisation, energy optimisation and a number of other initiatives in the daily operation of the company.

ENERGY

Euro Cater was first certified according to the ISO 14001 standard in 2003, and the standard has since been implemented throughout the entire group. In this way, we work with renewable environmental and energy improvements, including a focus on reducing energy consumption. The environmental and climate impact of our own operations primarily pertains to our transport activities and the operation of our refrigeration and cold storage facilities.

Electricity

The food-service sector is generally characterised by relatively high levels of electricity consumption as a lot of products must be stored either refrige-

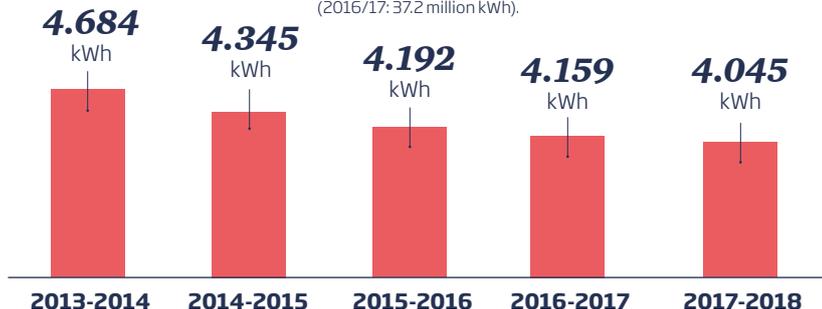
rated or frozen. Since 2003, we have set emission reduction targets for the individual sites and reduced consumption.

This year, two of our Danish sites made the transition to 100% CO₂ refrigeration. A new warehouse is being built in Sweden for the Malmö site, with a cooling system based on a CO₂ system which will be commissioned in November 2018. Using CO₂ reduces the negative impact on the climate. A number of sites also changed to LED lighting during the year.

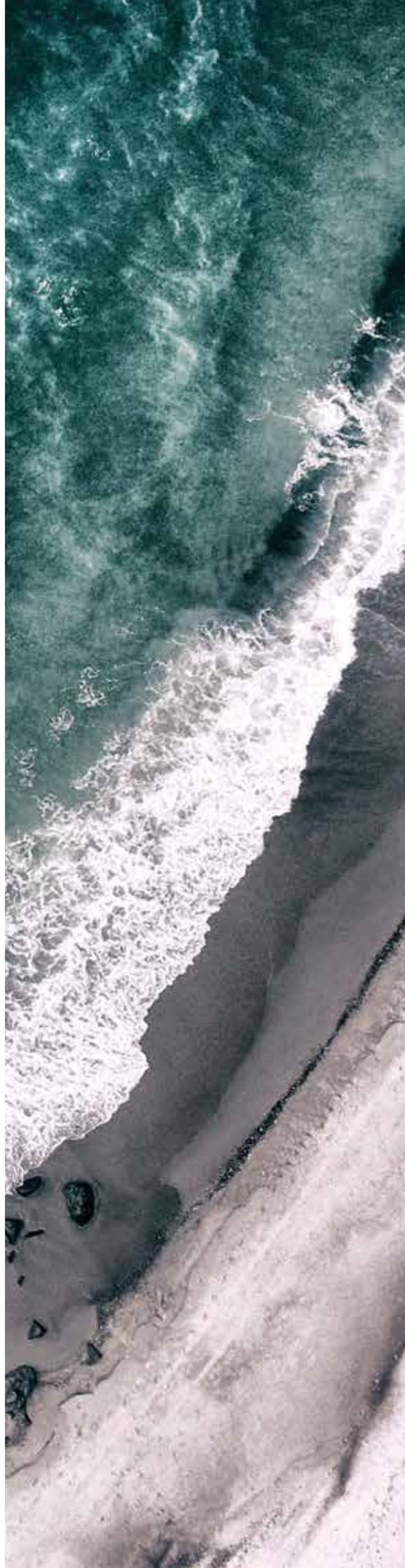
As a result, we have seen a 14% fall in electricity consumption per unit of revenue over the past four years.

ELECTRICITY CONSUMPTION

Total consumption 37.1 million kWh (2016/17: 37.2 million kWh).



Consumption in kWh per DKKm of revenue.



TRANSPORT

Euro Cater’s own vehicles cover a total of 13.7 million kilometres a year on the road, on top of which comes the transport handled by external hauliers. In Svensk Cater, approx. 50% of the flow of goods is distributed to customers via external hauliers. Transport is therefore an important CSR theme for us - both in our own core business and from a value chain perspective. We work with responsible transport based on three aspects: road safety, the environment and climate.

Transport policy and road safety

Our new transport policy aims to help us contribute to increasing road safety and reducing the environmental impact of our activities as much as possible.

Sending hundreds of trucks onto the roads and streets every day, we are very much aware of our responsibility for minimising the risk of road traffic accidents. Our drivers receive road safety training, and as part of our transport policy, we work with rules and good practice as well as examples of excellence among our drivers.

We continuously invest in new technical solutions for preventing accidents, and continuously monitor advances in the field of equipment and systems which can contribute to increased safety and reduced environmental impacts.

Some of the more recent initiatives include installing flashes on lifts and in connection with lights that serve as a warning during reversing. We have also introduced night illumination in several places in the forklift work area, to ensure the safety of our drivers and others.

Climate and the environment

Diesel trucks emit a number of unhealthy particles, and we are constantly seeking to minimise particle emissions. Measures include setting environmental/euronorm requirements when purchasing new vehicles.

We train our drivers in eco-driving, and on several of our sites we have invested in monitoring systems in the trucks to help and guide the drivers and ensure that their driving is as environmentally friendly as possible in the circumstances. The preliminary results show improvements in the form of, for example, less idling and reduced fuel consumption in general.

” We are continually investing in better technical solutions in our transport system, to ensure a higher degree of road safety and less impact on the environment and climate.



FLEET MANAGEMENT SYSTEM

Our local division in Kolding has been very successful in reducing fuel consumption by means of a new fleet management system in its lorries, which, among other things, provides information on fuel consumption and where we can do better.

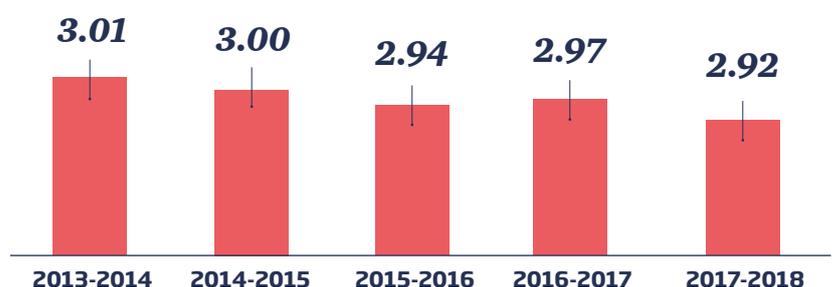


BIODIESEL

Our Swedish site in Linköping has made the transition to using HVO in its trucks - a more environmentally friendly biodiesel. HVO (hydrotreated vegetable oil) is made from vegetable fats and oils that are more sustainable and help reduce our CO₂ emissions.

DRIVING AND FUEL

In 2017/2018, Euro Cater covered 13.7 million kilometres in our own vehicles. This equates to 343 times round the world.



Driving efficiency (km per litre of diesel).

WASTE AND FOOD WASTE

Receiving, transporting and distributing tonnes of food products on a daily basis involves quite a lot of packaging. Also, a strong focus on food safety invariably leads to some food waste. Such waste of resources is high on our agenda. Minimising waste and food waste calls for targeted strategies and solutions throughout the value chain.

Waste

As the picking of products to order is an important core activity for us, our operations give rise to relatively large volumes of especially cardboard and plastic waste.

Where possible, we want to increase the use of circular waste methods, allowing us to reuse as many types of waste as possible in the long term. At the same time, we have initiated an analysis of the types of waste fractions we handle, and how they

are defined and treated by the refuse collection services.

Food waste

Food waste is a global challenge which must largely be addressed locally. We take responsibility for helping to reduce food waste within our realm of influence. We have focused on food waste internally in our own operations and by helping our customers to reduce food waste in their part of the value chain.

In Denmark, we have launched new functionality in our webshop, where we promote products that are approaching expiry of their sell-by date. Under this initiative we managed to sell 94 tonnes of goods during the past year, which were at risk of becoming food waste, but were instead sold to and used by our customers. We sold a further 190 tonnes of potential food waste via telesales.

FOOD WASTE PREVENTED (IN KG)

Food waste prevented (in kg)	SOLD IN THE WEBSHOP	SOLD VIA TELESALES	SUM
2015-2016	478	180.961	181.439
2016-2017	15.481	178.159	193.641
2017-2018	94.132	189.501	283.633

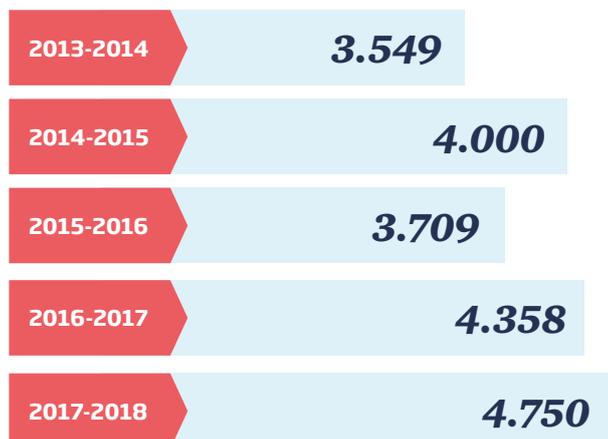
Food waste

► Euro Cater reduces the amount of food waste by working with various organisations to distribute surplus food to socially disadvantaged people in shelters and asylum and crisis centres etc. In Copenhagen we work with the association Det Runde Bord, and in Aalborg we work with Nordjysk Fødevareroverskud. This leads to social and environmental benefits for us all.

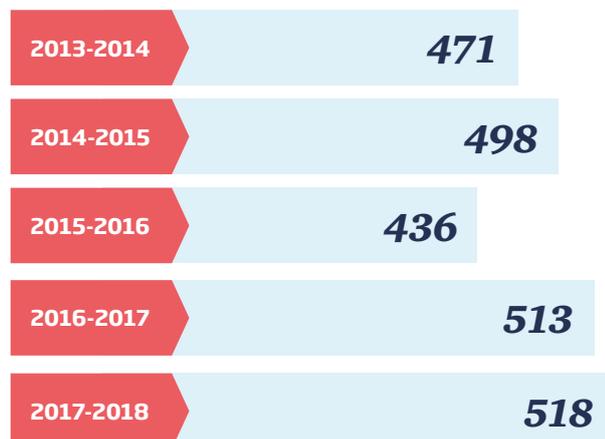


WASTE

Waste (tonnes)



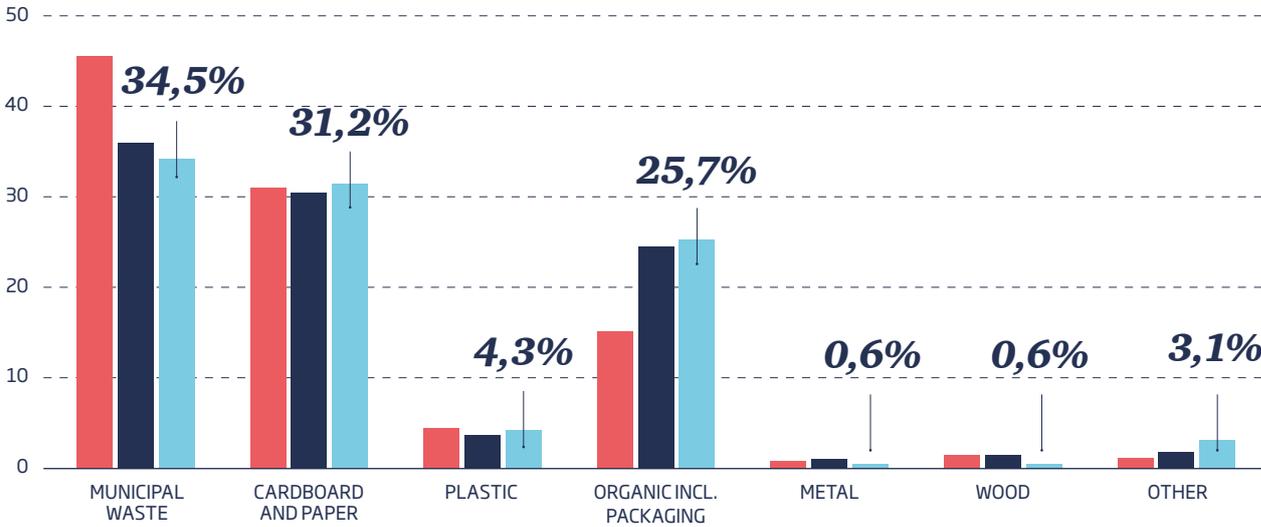
Waste in kg (per DKKm of revenue)



The increasing quantity of waste during the period may reflect the fact that the level of detail and procedures for registering waste have been continually refined.

WASTE DIVIDED INTO FRACTIONS

2015/16 2016/17 2017/18



We expect the proportion of compostable waste to rise for some time, as we become better at sorting waste. We then expect that our food waste initiatives will cause this proportion to decline again.

Stadsmissionen

In Kalmar, we work with Stadsmission to help people who need a helping hand due to social problems such as abuse or illness. We donate food to socially disadvantaged people, and also ensure that there is food on the table at Christmas time.



ANNUAL RESULTS 2017 / 2018

RISKS	FOCUS AREA	GOALS	ACTION	RESULT
CO ₂ emissions Renewable energy Electricity consumption Heat consumption Water consumption	Energy Policy Climate policy	<ul style="list-style-type: none"> ▶ Continued reduction to electricity consumption ▶ Carried out internal and external ISO 14001 audits of all locations 	<ul style="list-style-type: none"> ▶ Local improvements in energy consumption ▶ Carried out internal and external ISO 14001 audits of all locations ▶ Invested in CO₂ systems ▶ Invested in LED lighting 	<ul style="list-style-type: none"> ▶ 3% decrease in electricity consumption per unit of revenue ▶ 35 internal ISO 14001 audits carried out ▶ 6 external ISO 14001 audits carried out ▶ Recertification for ISO 14001:2015
CO ₂ emissions Particle emissions Traffic safety Local communities Environmental pollution Renewable energy	Transport Policy Environmental policy Climate policy Transport policy	<ul style="list-style-type: none"> ▶ Environmental impact from transport analysed ▶ Road safety increased 	<ul style="list-style-type: none"> ▶ Initial review of environmental impact from transport ▶ Recommendations on the procurement of trucks issued 	<ul style="list-style-type: none"> ▶ Initial review of environmental impact from transport completed ▶ Recommendations on the procurement of trucks issued
CO ₂ emissions Chemicals Environmental pollution Food waste Resource consumption Reuse	Waste And food waste Policy Environmental policy Climate policy	<ul style="list-style-type: none"> ▶ Increase awareness of the webshop for sell-by date products ▶ Fractionation of waste optimised ▶ Increased reuse of possible waste fractions and organic waste 	<ul style="list-style-type: none"> ▶ Continue promotion of sell-by date products ▶ Further fractionation of waste locally 	<ul style="list-style-type: none"> ▶ Greater awareness in the webshop of products close to expiry date ▶ Initial overview of current and potential fractions for individual sites and refuse collection services

OBJECTIVES 2018/2019

RISKS	FOCUS AREA	GOALS	PLANNED ACTIONS
CO ₂ emissions Renewable energy Electricity consumption Heat consumption Water consumption	Energy Policy Climate policy	<ul style="list-style-type: none"> ▶ Internal ISO 14001 audits conducted for all locations ▶ External ISO 14001 audits conducted for selected locations 	<ul style="list-style-type: none"> ▶ Local improvements in energy consumption ▶ Carry out internal and external ISO 14001 audits ▶ Invest in CO₂ systems ▶ Invest in LED lighting
CO ₂ emissions Particle emissions Traffic safety Local communities Environmental pollution Renewable energy	Transport Policy Environmental policy Climate policy Transport policy	<ul style="list-style-type: none"> ▶ Environmental impact from transport further analysed ▶ CSR driver training completed ▶ A safer fleet of trucks 	<ul style="list-style-type: none"> ▶ Review of environmental impact from transport ▶ Training of drivers ▶ Procurement of safer trucks
CO ₂ emissions Chemicals Environmental pollution Food waste Resource consumption Reuse	Waste And food waste Policy Environmental policy Climate policy	<ul style="list-style-type: none"> ▶ Greater awareness in the webshop of products close to expiry date ▶ Fractionation of waste optimised ▶ Current and potential fractions for individual sites and refuse collection services identified 	<ul style="list-style-type: none"> ▶ Continue promotion of sell-by date products ▶ Further fractionation of waste locally, where possible ▶ Overview of current and potential fractions for individual sites and refuse collection services.

Good workplace

We want to continuously develop Euro Cater as a good, healthy and stimulating workplace which creates economic and sustainable value for customers, employees and suppliers. We do this by focusing on creating a sense of community, on skills and on being a safe and healthy workplace.

Sense of community

Euro Cater is a decentralised organisation with a high degree of autonomy for the individual subsidiaries and sites. This ensures a strong sense of commitment among local managers and employees, which is reflected, among other things, in a large number of initiatives at the individual workplaces. Many of the sites are involved in sport, weight loss schemes, stop-smoking courses and support for local initiatives.

Skills

In a company where personal relations and a very high level of professionalism are absolutely essential, there will be a strong focus on constantly developing the skills of your employees.

As our CSR strategy is relatively new, in the past year, we have focused mainly on training our employees in a general understanding of corporate social responsibility, in our policies, and what it means for each individual's working life.

Our site in Karlstad has given sales staff training in vegetarian products. It is good for the climate to incorporate vegetarian alternatives into our range, and the staff are now better at offering these to our customers.

Health and safety

Our approx. 2,300 employees put a great deal of time and energy into their job. We therefore owe them to ensure a safe and healthy workplace where they do not risk becoming injured, worn out or stressed.

It is natural for all the group's sites to safeguard the working environment,

to prevent accidents at work and to prevent employees from being worn out. Some work functions involve heavy lifting and pushing-around of products which need distributing around the storage facilities or to customers, and some of our employees also work at refrigeration and cold storage facilities. We are therefore continuously investing in modern aids which can relieve the physical work as much as possible.

To minimise strain on our drivers' backs and shoulders, our site in Odense is installing electronic roller shutters in the new distribution vehicles. So far, the site has two vehicles with the new roller shutters.

The health and well-being of our employees is important to us at Euro Cater. At several of our Swedish sites we have worked with ergonomic aids in production to make packing and heavy lifting easier. Motorised trolleys have been purchased to help drivers when delivering goods to customers, to minimise heavy lifting and towing and to help when there is snow.

During the past year we began formulating guides for our employees in a safe physical work environment at warehouses and offices. We hope these will give greater focus to avoiding situations that could lead to work strain or accidents.

We have also prepared a draft guide to the psychological working environment, which will apply to all our employees. This aims to make it clearer what is expected in relation to respect, care and cooperation at Euro Cater's sites.



ROSKILDE 2017 CSR AWARD

At Euro Cater, we see it as part of our corporate social responsibility to help people on the fringe of the labour market. This commitment is expressed locally at the various sites. In January 2018, our site in Roskilde received the 2017 CSR award from Roskilde Municipality for their efforts to help the unemployed into permanent employment.



AALBORG 2018 DROP-IN PRIZE

Our site in Aalborg received the 2018 drop-in prize in May 2018. This prize is awarded to companies who have made a special effort to help people gain a foothold in the labour market.



BORNHOLM BLOSSOMING

In cooperation with Bornholm Landbrug og Fødevarer, we helped to sow belts of flowers along 42 km of roads on Bornholm, to the benefit of the island's residents and visitors. "We strive every day to optimise our logistics on Bornholm and minimise our environmental impact, while ensuring the delivery of fresh food to the island's restaurants, e.g. by expanding our local range of products produced and delivered on the island," says Jeannie Als-Jensen, concept development manager at BC Catering.

Good workplace

Anti-corruption

Corruption is a criminal offence and damaging for society. Euro Cater fights corruption where we can, and has prepared an anti-corruption policy. In addition, we plan to incorporate anti-corruption in a future Employee Code of Conduct, and to train our employees, primarily in procurement and sales. Anti-corruption is also integrated into our Supplier Code of Conduct and has therefore been incorporated as a focus area in our supplier relations.

Working environment assessment

(Denmark)



14 SITES

The assessment is based on the screening by the Danish Working Environment Authority of 14 sites in the Danish organisation. Two sites have not been screened (as of September 2018).

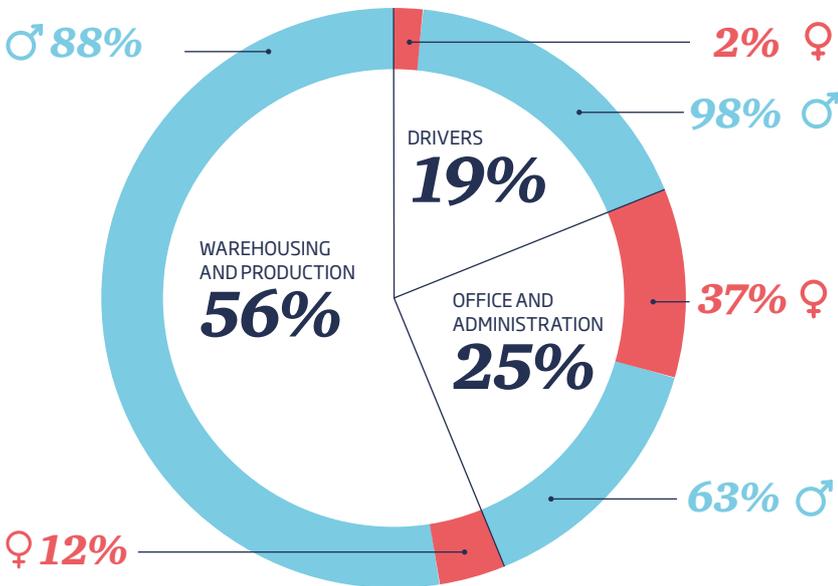
Staff survey of the working environment

In 2017/2018, Euro Cater had a special focus on investigating the psychological work environment at our sites in Sweden. The aim is to promote a good working environment and prevent the risk of illness. Based on the investigation, we have developed an information campaign for our warehouse employees regarding ergonomic working aids. This will become part of the training for all new employees. This work will continue in 2018/2019 with the development of similar information for drivers and office staff.

BREAKDOWN BY FUNCTION

Euro Cater has a long tradition for primarily internal recruitment for management positions. It is therefore natural that the number of women in management positions roughly reflects the general gender distribution in the group. As a

wholesaler, most of our job functions relate to warehousing and distribution, which traditionally attract more male applicants. This is also reflected in the gender distribution among the company's employees.



NUMBER OF EMPLOYEES



2.262

GENDER DISTRIBUTION

Men
84% ♂

Women
16% ♀

Targets and policies for the underrepresented gender

We have not achieved our goal of having a woman on the Board of Directors before the end of 2017/18. The reason is that the existing Board of Directors is deemed to have the right skills and composition in view of our strategic challenges and plans. We are setting a new goal, that one in four

members of the Board of Directors selected by the general meeting should be a woman in 2021/22. In the group's senior management teams, 12 out of approx. 130 managers are women (9%). It is company policy that both genders must be represented in the company management. All management positions are filled on the basis of the group's

general principle of employing the best-qualified person for the position, irrespective of gender. We seek to ensure that both genders are represented in the last round of the recruitment process, where this is possible given the field of applicants. The group generally stresses the importance of equal opportunities for all, regardless of gender, ethnicity, religion or disability.

ANNUAL RESULTS 2017/2018

RISKS	FOCUS AREA	GOALS	ACTION	RESULT
Transparency Private life Human rights Tax Discrimination Local communities Job creation Marketing Diversity	Sense of community Policies Working conditions	<ul style="list-style-type: none"> ▶ Cross-organisational cooperation on CSR ▶ Local initiatives 	<ul style="list-style-type: none"> ▶ Cross-organisational cooperation on CSR ▶ Local initiatives 	<ul style="list-style-type: none"> ▶ Completed local initiatives
Anti-corruption Training	Skills Policies Working conditions	<ul style="list-style-type: none"> ▶ Employee Code of Conduct developed 	<ul style="list-style-type: none"> ▶ Development of an Employee Code of Conduct has commenced 	<ul style="list-style-type: none"> ▶ Parts of an Employee Code of Conduct have been developed
Human rights Occupational safety Occupational health	Health and safety Policies Working conditions	<ul style="list-style-type: none"> ▶ Green working environment smiley for all sites in Denmark ▶ Inspirational catalogue on occupational safety prepared ▶ Inspirational catalogue on absence due to illness prepared 	<ul style="list-style-type: none"> ▶ Preparation of inspirational catalogue on occupational safety ▶ Preparation of inspirational catalogue on absence due to illness 	<ul style="list-style-type: none"> ▶ Green environmental smiley for all visited Danish locations ▶ Inspirational catalogue on occupational safety prepared ▶ Inspirational catalogue on absence due to illness prepared

OBJECTIVES 2018/2019

RISICI	FOCUS AREA	GOALS	PLANNED ACTIONS
Transparency Private life Human rights Tax Discrimination Local communities Job creation Marketing Diversity	Sense of community Policies Working conditions	<ul style="list-style-type: none"> ▶ Local initiatives completed 	<ul style="list-style-type: none"> ▶ Local initiatives
Anti-corruption Training	Skills Policies Working conditions	<ul style="list-style-type: none"> ▶ Employee Code of Conduct refined ▶ Training in anti-corruption commenced ▶ Sales staff trained in sustainable product range ▶ Procurement staff trained in the development of sustainable product range ▶ Managers trained in CSR ▶ Drivers and dispatchers trained in sustainable driving 	<ul style="list-style-type: none"> ▶ Development of Employee Code of Conduct ▶ Training of employees in anti-corruption ▶ Training of sales staff ▶ Training procurement staff ▶ Training of managers ▶ Training of drivers and dispatchers
Human rights Occupational safety Occupational health	Health and safety Policies Working conditions	<ul style="list-style-type: none"> ▶ Green working environment smiley for all sites in Denmark ▶ Inspirational catalogue on occupational safety implemented ▶ Inspirational catalogue on absence due to illness implemented 	<ul style="list-style-type: none"> ▶ Focus on occupational safety ▶ Focus on absence due to illness at relevant sites

Accounting policies and kpi definitions

Sustainable trading

FOOD SAFETY

ISO 22000 certification

Count of sites that have a valid ISO 22000 food safety certification.

ISO 22000 - Internal audits

Number of audits carried out at our own sites via Euro Cater employees who do not normally work at the sites, i.e. first-party audits. This is usually the Environment and Quality Manager for Dansk Cater and Svensk Cater.

ISO 22000 - External audits

Number of audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We generally use auditors from Bureau Veritas Certification.

Elite smileys

Count of Danish sites with a valid elite smiley, awarded by the Danish Veterinary and Food Administration via third-party audits.

SUPPLY CHAIN MANAGEMENT

Supplier risk assessment

As part of the group's supplier data, various risk parameters are specified for each supplier. These include strategic importance, country, access to facilities and violations of the Supplier Code of Conduct. Purchases in DKK for the past financial year for all suppliers (creditors) that have been risk assessed are summed and divided by the total purchase volume in DKK for all of Euro Cater.

Supplier Code of Conduct signatories

Proportion of purchase volume in Euro Cater that is covered by our central Supplier Code of Conduct. The total purchase volume is calculated in DKK. Purchases in DKK for the past financial year for all suppliers (creditors) that have signed our central Supplier Code of Conduct are summed and divided by the total purchase volume in DKK for all of Euro Cater.

Self-evaluation

Based on our Supplier Code of Conduct, we have developed a self-evaluation form during the year which we will ask suppliers to complete at some point. This self-assessment is used internally in Euro Cater (to ensure we are fulfilling the requirements) and for suppliers.

SUSTAINABLE PRODUCT RANGE

MSC/ASC-certified sites

Count of sites that have a valid MSC/ASC certification.

MSC/ASC - Internal audits

Number of audits carried out at our own sites via Euro Cater employees who do not normally work at the sites, i.e. first-party audits. This is usually the Environment and Quality Manager for Dansk Cater and Svensk Cater.

MSC/ASC - External audits

Number of audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We generally use auditors from Bureau Veritas Certification.

KRAV-certified sites

Count of Swedish sites with a valid KRAV certification via third-party auditing.

KRAV - External audits

Number of audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We normally use auditors from Kiwa Sverige AB (SC).

MSC/ASC products

Euro Cater has a small in-house production of food products. Among these, the quantity of food products used that could theoretically be ASC/MS-Certified (fish and shellfish) is measured. The proportion of these ingredients that actually are ASC or MSC-certified is calculated annually.

Eggs

Euro Cater has a small in-house production of food products. Among these, the quantity of ingredients used that derive from eggs is measured. The proportion of these egg ingredients that are not from battery hens is calculated annually.

Palm oil

Euro Cater has a small in-house production of food products. Among these, the quantity of ingredients used that derive from palm oil is measured. The proportion of these palm oil ingredients that are RSPO-certified is calculated annually. The proportion of palm oils sold (off-the-shelf products, not as ingredients) that are RSPO-certified is also measured.

Training procurement staff

Each site has its own purchasers, who are trained in our CSR policies and sustainable product range. This takes place at local and central procurement meetings, and on internal or external training programmes - which sometimes focus on CSR and sometimes have CSR as a sub-topic.

Training of sales staff

Each site has its own purchasers, who are trained in our CSR policies and sustainable product range and sales. This takes place at local and central sales consultant meetings, and on internal or external training programmes - which sometimes focus on CSR and sometimes have CSR as a sub-topic.

Sustainable operations

ENERGY

ISO 14001-certified sites

Count of sites that have a valid ISO 14001 certification.

ISO 14001 - Internal audits

Number of audits carried out at our own sites via Euro Cater employees who do not normally work at the sites, i.e. first-party audits. This is usually the Environment and Quality Manager for Dansk Cater and Svensk Cater.

ISO 14001 - External audits

Number of audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We generally use auditors from Bureau Veritas Certification.

Electricity consumption

The total electricity consumption is registered and compared to the total revenue in DKK.

TRANSPORT

Diesel consumption

The total diesel consumption for Euro Cater's own trucks is registered and compared to the total revenue in DKK.

In addition, the number of kilometres driven in our own trucks is registered, and the number of kilometres per litre of diesel is calculated.

Training of drivers and dispatchers

Each site has its own drivers and dispatchers, who are trained in eco-driving, safe traffic and the working environment. This takes place at local dispatch meetings and on internal or external training programmes.

WASTE AND FOOD WASTE

Recycling - volume

The total volume in kilograms is measured for each site per waste fraction. Since the fractions are defined by the type of container, and hence by the waste

management company used, our fractions are pooled in slightly broader groups. The volume either comes directly from the refuse collection companies (e.g. by accessing the database on the website) or via data entered from invoices. Data is stored in a central Excel spreadsheet. The proportion of fractions reused for various purposes (not simply energy production) is calculated based on the total volume of waste.

Good workplace

SENSE OF COMMUNITY

Women in management

Count of how many women are sitting on the Board of Directors for Euro Cater Holding A/S. This is calculated as a proportion of all board members. The proportion of women in the extended management team at Euro Cater is also calculated. This group comprises the management teams at the various sites and department heads at the head offices in Denmark and Sweden.

SKILLS

Training of managers

Each site has its own management team, which is being trained in our CSR strategy, CSR policies and procedures, etc. This takes place at local and central management meetings, and on internal or external training programmes - which sometimes focus on CSR and sometimes have CSR as a sub-topic. The training of purchasers, sales consultants, drivers and dispatchers has been described earlier.

HEALTH AND SAFETY

Working environment smiley

Count of Danish sites with a valid green working environment smiley, awarded by the Danish Working Environment Authority via third-party audits. A company can only receive a green smiley if it has undergone a review of its core working environment, i.e. if a risk-based inspection has been performed, where the Working Environment Authority has determined that the company is not violating any working environment regulations.

COMPANY PROFILE

ORGANISATION

- | | |
|-----------------------|---|
| ▶ Company name | Euro Cater Holding A/S |
| ▶ Web address | www.euro-cater.com |
| ▶ Head office | Vidalsvej 6, 9230 Svenstrup J, Denmark |
| ▶ Primary brands | AB Catering, BC Catering, inco, Cater Food, Cater Grønt, Dansk Cater, Svensk Cater, Nordsjöfisk, Nordströms |
| ▶ Ownership | Manny A/S owns 65%, and ICG EFV Luxembourg S.a.r.l. owns 35% of the group |
| ▶ Number of employees | 2,262 FTEs |

REPORT

- | | |
|-----------------------------------|--|
| ▶ Reporting period | 1 October 2017 – 30 September 2018 |
| ▶ Reporting procedure | We have reported in accordance with the Danish Financial Statements Act, sections 99a and 99b as well as section 10 of the Annual Accounts Act (Årsredovisningslagen) (Sweden).. |
| ▶ Companies covered in the report | Covers all companies in the Euro Cater group. |

GOVERNANCE

- | | |
|---|--|
| ▶ Enquiries concerning the report and overall responsibility for the CSR report | Henrik Ellegaard, CFO (he@euro-cater.com) |
|---|--|



Euro Cater Holding A/S
Vidalsvej 6
DK-9230 Svenstrup
Tel. +45 9637 2020
www.euro-cater.com

