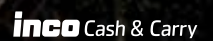




Euro Cater **Sustainability** report 2020//2021





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Respect for food and people

During the past financial year, we have been a business partner and supplier in a sector that has been heavily impacted by the changing COVID-19 restrictions. From the start of the financial year, more restrictions were gradually imposed on our customers in both Denmark and Sweden. In Denmark all eateries were closed from late December to late April.

This course of events has impacted the entire foodservice sector, as well as many other sectors.

The reopening of the eateries in Denmark in April has shown that end customers are very keen to 'get out' and visit restaurants, inns and hotels – our customers – as much as possible. The canteens in most companies were also reopened. Our customers in both Denmark and Sweden were extremely active during mid and late summer, in particular. This high level of activity kept us busy in turn.

The major changes in activity level resulting from the imposition and removal of COVID-19 restrictions have placed great demands on all employees and partners to keep our joint operations running smoothly. Overall, the COVID-19 restrictions have resulted in a loss of approx. DKK 1.4 billion in revenue for the group in 2020/21, compared to the level of activity before the pandemic. We saw a similar impact last year when COVID-19 restrictions were imposed from mid-March 2020, and affected activity levels for the rest of the financial year.

However, in relation to sustainability, being in the second year of the COVID-19 pandemic meant that we had more resources than in the previous year to continue the projects underway, as we are now better equipped to handle the pandemic than during the first year with COVID-19.

We have become more ambitious in the climate area, and next year, in connection with our carbon calculations, we will announce some longer-term goals that will be guiding us.

This year we reviewed the entire group's climate gas emissions, and now have a full picture of our own direct emissions (scope 1), and the indirect emissions from ener-

gy sources (scope 2). However, the most important climate impact comes from the rest of our value chain – suppliers, customers and consumers. We have estimated these emissions, and are collecting more data at the pace that our business partners can handle.

We also became the first foodservice actor in Denmark to calculate a carbon estimate for almost all our food products. Our customers can see this climate data for each product in our Danish webshop. The carbon calculations are based on the recently released climate database from Concito, a green think tank. We have already received many very positive comments from our customers and business partners as a result of this initiative. We will continue to work on this area, so that our climate data becomes more and more reliable and specific.

Overall, we have launched a number of pilot projects in relation to transport, as this is where we can make the biggest direct difference to the climate. We are working with solutions such as biodiesel, hybrid cars, electric cars and driving optimisation. We foresee major changes in transport, and are eagerly monitoring all initiatives that can lead to more sustainable logistics.

Sustainability is a high priority as we plan extensions and new construction. We are also exploring the possibility of installing solar cells at existing warehouse facilities, where we have extensive roof space that can potentially be used for this purpose.

This year we chose to expand our reporting with specific tables on our impact on the UN Global Goals, as well as the most common ESG factors. We have done this to create more transparency in our reporting.

Given the ever increasing focus on sustainability, we have chosen to add two new global goals to our sustainability strategy. Where we previously focused on goal 12 (Responsible consumption and production), from this year we have chosen to add goal 3 (Good health and well-being) and goal 13 (Climate action). This fits neatly into our strategy, and we now feel bold enough to report on all three global goals.

Steen D. Pedersen
 CEO, Euro Cater/Dansk Cater

Henrik Ellegaard
 CFO, Euro Cater

Lars Carlsson
 CEO, Svensk Cater



FINANCES

Revenue:

8,122
mio. DKK.

EBITDA:

634
mio. DKK.

Equity:

2,558
mio. DKK (end of year)



EMPLOYEES

2,120
full-time positions

1,407
in Denmark

713
in Sweden



SITES

- 29 distribution sites
- 3 inco Cash and Carry sites

TRUCKS

Number of own trucks: Approx.

430



Denmark: Approx.

300

Sweden: Approx.

130

COMPANIES

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



About Euro Cater

Euro Cater is one of the largest players in the foodservice market in Denmark and Sweden. We have 32 sites that geographically cover all of Denmark and Sweden. We sell food, beverages and non-food articles from these 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

Each day, several hundred trucks deliver many tonnes of food from our refrigeration and cold storage facilities to Danish and Swedish kitchens. We are well aware that this is not possible without impacts on the world around us. By identifying these and engaging our stakeholders, and targeting efforts for individual groups of stakeholders, we seek to minimise any potential negative consequences of our activities.

Given our place in the value chain as a wholesaler, our main responsibilities are to nudge partners where we can, to keep our own operations as sustainable as possible, and to be open to inputs and ideas that can increase our own sustainability or that of our customers and suppliers.

Nudging

Nudging means to influence and encourage our customers and suppliers to make more sustainable choices than they would otherwise. Our core business involves offering the goods to our customers that they demand.

We therefore have a range of tens of thousands of products, all of which are driven by our customers' demand. As we interact with our customers, one of our key responsibilities is to nudge customers to make more sustainable choices than they would otherwise. This is often possible, if another choice provides value for the customer and they become aware of this through our efforts.

We therefore constantly seek to increase our range of sustainable products across all product categories. And we aim to make customers aware of these options - in sales discussions, in catalogues and on our webshops.

Sustainable operations

Our biggest direct impact on our sustainability is from our own operations. We therefore continuously optimise the sustainability of our operations, where this makes sense and is possible. This applies to things like waste management, energy consumption, diesel consumption, refrigerants and work safety. We continuously focus on all these areas, and add more KPI figures and goals every year.

Transparency

We seek to be open about the challenges we encounter, and our successes on the road to becoming more sustainable.

That is why we publish this report each year. Over time it has included more hard KPI data, making it possible to follow our steady progress towards becoming a more sustainable company.

We increasingly draw on international standards, to make it easier to decode our annual reporting. This year we have added separate reporting on the UN Global Goals and ESG data (at the back of the report).

Our mission

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



Agriculture



Collective wholesalers/cooperatives



Producer



Restaurant, canteen, etc.



Euro Cater



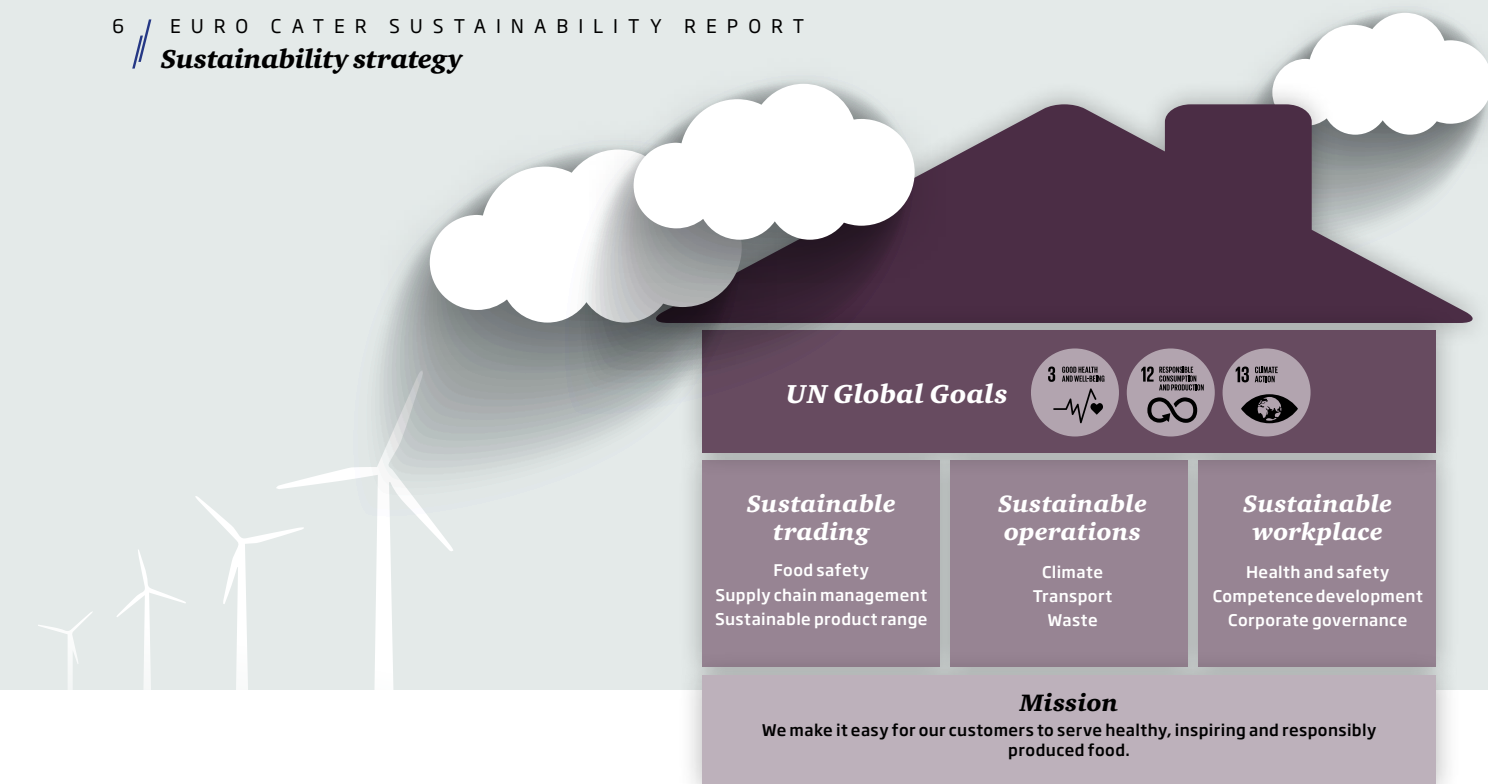
Dealers/importers



Waste recycling

Value chain

Our responsibility for sustainability does not end at the gates of our sites. We focus most on our own operations, but continuously try to improve sustainability at all links in our value chain.



Respect for food and people

When we follow our sustainability strategy in our work, we ensure the greatest possible focus on our social responsibility. We call the 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.

Focus and action areas

We have selected the key areas in relation to our sustainability. These are the areas where we can make the biggest positive difference.

Our sustainability strategy covers three focus areas (sustainable trading, sustainable operations and sustainable workplace). Each of these has three action areas, encompassing all the initiatives we implement in relation to sustainability.

From risk to materiality

These focus and action areas have been chosen based on annually updated analyses of our stakeholders, risks from the value chain, strengths and weaknesses, and developments in technology and society. All inputs pass through a screening process, so we end up with the most important areas – that have the biggest impact on both our company and our stakeholders. For

more details, see the last section of this report.

Goals

We set new goals each year in all our action areas. To date we have focused on setting annual goals that drive us forward at an ambitious pace. We are now becoming so bold that in future we will develop more long-term goals and guidelines, where we believe we can achieve success in the longer term through ongoing decisive action. While all the time balancing our efforts between our own operations, nudging and customer requirements. All of these goals can be seen at the back of this report.

Governance

Sustainability is an increasingly important element of our strategy. Ultimately, sustainability is anchored in the Board of Directors of Euro Cater. From here, responsibility is delegated to the

boards of directors of Dansk Cater and Svensk Cater. Operational implementation lies with the executive boards of Dansk Cater and Svensk Cater, in close cooperation with the 32 site managers. There are a number of overlaps in personnel, making it simple to coordinate this area.

The boards of directors of Euro Cater, Dansk Cater and Svensk Cater regularly discuss sustainability, and are involved in all important decisions in this area.

Operational management is handled by the Sustainability Steering Group, consisting of eight representatives from the main areas of Euro Cater.

Sustainability policies, objectives and planned initiatives are reported to and approved by the boards of directors in connection with preparation of the annual sustainability report.



UN Global Goals

We see ourselves as a key player in the food market in Denmark and Sweden, and therefore feel a duty to take co-responsibility for meeting the 17 global goals and associated targets that the UN has defined.

To date, we have focused on goal 12 (Responsible consumption and production). This has been natural given our place in the value chain as a wholesaler.

This year we have chosen to expand our focus slightly. We will keep our focus on goal 12, while also doing what we can to find solutions for goal 3 (Good health and well-being) and goal 13 (Climate action).

The decision to add more global goals flows naturally from the focus on sustainability that we have been working with for several years now. We have continuously structured and professionalised our work with social responsibility, making it increasingly meaningful to be able to talk about our work with the global goals.



Goal 3:

Good health and well-being

Our basic mission is to sell our customers the products

they demand. Our greatest opportunity to increase sustainability in

food consumption is to nudge our customers to make more sustainable choices, which is possible when an alternative choice adds value for them. Through nudging, we have a real opportunity to promote healthier and more sustainable meals being served to hotel guests, employees in canteens, and restaurant diners. We can do this by promoting foods that bear the keyhole or whole grain labels, and are organic or KRAV-certified, and by promoting the use of seasonal fruit and vegetables rather than exotic imported alternatives.



Goal 12:

Responsible consumption and production

Given our role in the value chain,

we believe that we have the chance to proactively inspire responsible consumption among our customers and to promote sustainable principles in the supply chain. Moreover, we can contribute actively to reducing waste and food waste throughout the value chain. All this is part of goal 12, which

was therefore our first primary goal in our work with sustainability.



Goal 13:

Climate action

Even though our own production is not large, the whole value chain we are

part of has a major influence on the climate. Therefore, from this year on, we have chosen climate action as a global goal we would like to work with in a more structured way. We work at company level with scope 1, 2 and 3. And we are working to minimise carbon emissions at product level wherever possible. By optimising existing products and introducing new, more climate-friendly products.

Secondary goals

We are also working on several secondary global goals, where our impact is important but not quite as significant. These are marked in each section of this report with their respective logos.

See also our reporting on the global goals at the back of the report.



Sustainable trading

Trade is central to our value creation, as we are primarily a trading company. A high level of food safety, responsible supplier management and a more sustainable product range are the key elements in ensuring the structured development of sustainable trade.

FOOD SAFETY



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

All sites are food safety certified under ISO 22000. As part of our ISO 22000 certification, we conducted internal audits at all 32 sites during the past year, and we have also had external, independent third-party audits at all sites.

As part of our ISO 22000 certification, we also have written procedures for all areas relevant to maintaining a high level of food safety. This includes risk assessments, traceability systems, temperature monitoring, production hygiene, pest control and staff training.

Even though there are few customer complaints, we will focus on implementing improvements in our handling of them in the coming year, to make it easier to see any trends and correlations. We will also focus on disseminating learning from corrective and preventive actions to all sites, so that we avoid repeat occurrences.

SUPPLY CHAIN MANAGEMENT



As a trading company, we naturally focus on ensuring our suppliers take social responsibility very seriously, through responsible supplier management.

75% of the group's purchases are concentrated at large suppliers

with well-known brands, with whom we have been dealing for many years. The remaining 25% of purchases are placed with a very broad range of trading partners.

Supplier Code of Conduct

Since we buy many of our products from third world countries, either directly or indirectly, there is a real risk of conditions arising that are unacceptable from a Scandinavian viewpoint. These could be human rights violations, poor working conditions, or a lack of consideration for the climate and environment.

We have therefore formulated a number of sustainability policies. These include our policies on human rights, working conditions and anti-corruption. These are all based on principles from the UN and OECD.

The policies apply to ourselves and our suppliers. These policies are implemented in dialogue with suppliers, and are subject to our 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 50% of our procurement have so far signed our Supplier Code of Conduct, and in Sweden the share is 82%. Overall, 62% of all purchases are now covered by our Supplier Code of Conduct, compared to 48% last year. So our focus on this area remains intact, despite the COVID-19 pandemic.

Our current Supplier Code of Conduct is based on a Danish standard that is no longer being maintained. We will therefore prepare and implement a new Supplier Code of Conduct in the coming year which ensures regular updates in accordance with the international conventions and standards.

Supplier risk assessment

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 partnerships.

We have therefore developed a system for risk assessing each supplier. This looks at factors such as our purchase volume, if they are in a risk



Elite smileys

15 of 15 sites in Denmark have elite smiley status. There is no equivalent system in Sweden.



country, if they are cooperating with us, and whether violations have been observed.

In Denmark, we have assessed suppliers representing 95% of our total procurement volume, and in Sweden we have assessed 100%. Overall, we have assessed suppliers representing 97% of our procurement volume. Our aim is to eventually have all suppliers assessed in both countries. And to reassess them on a regular basis.

We have developed a self-evaluation form 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 an idea of the status and possible issues among our suppliers. This self-assessment will be adapted to the new Supplier Code of Conduct we will develop in the coming year.

There have been a few cases during the past year where a supplier has violated the agreed Code of Conduct. We have been in close dialogue with these suppliers to resolve the problems. There has therefore been no reason to blacklist any suppliers. In addition, no suppliers have been assessed to pose too high a risk for us to start collaborating with them.

Training procurement staff

We normally have a focus, both in Denmark and Sweden, on giving our purchasers regular training in responsible procurement and supplier management. Due to the COVID-19 situation, we have only had three short training sessions with purchasers in Denmark, and one in Sweden. The themes have typically been our sustainability strategy and our policies, with an emphasis on our product policies, which are important guidelines for our purchasers.

SUSTAINABLE PRODUCT RANGE

Our mission is to make it easy for our customers to serve healthy, inspiring and responsibly produced food. Our basic mission is to sell our customers the products they want, but we also see it as our task to nudge customers to choose more sustainable alternatives, when these give them value.

We therefore strive to offer sustainable alternatives in as many product categories as possible, and to make customers aware of these sustainable opportunities.

We want to always be a leader in offering products and solutions that make it easy for 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.

Product policies

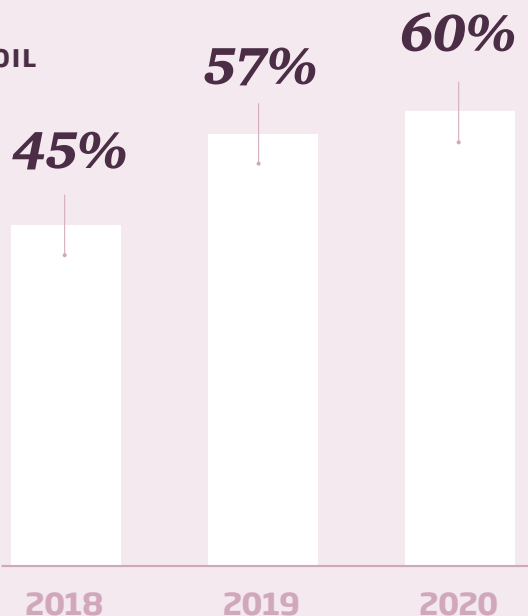
To ensure that our views on sustainability in the product range can be communicated throughout the organisation, we have prepared a catalogue containing product policies. In addition to a general policy, it includes specific policies for areas such as ecology, animal welfare, seafood, local goods, palm oil and eggs. These help us to address and handle ethical and environmental issues in our daily work, and serve as a guideline for our purchasers. We will add more elements to our product policy as the need arises.

Palm oil

One of our focus areas is palm oil, which has a major impact on the environment, the climate and biodiversity. We have completely phased out the use of palm oil in fats in our own production across the group.

We are also continuously striving to reduce the proportion of non-certified palm oil in shelf products, i.e. oil and fats that we sell to customers. For the 2020 calendar year, we have calculated the proportion of certified palm oil at 60% of total palm oil sales, which is up from last year's 57% level. We report this figure to the Roundtable on Sustainable Palm Oil (RSPO) once a year.

PROPORTION OF CERTIFIED PALM OIL



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 strong focus on respect for human and labour rights, the environment and the climate, and ethical company management, including anti-corruption, anti-discrimination and corporate governance. www.dieh.dk



Dansk Cater is a partner in REGA (the Restaurateurs' Guarantee Association) – an ambitious sector initiative that focuses on sustainability.

REGA focuses on three areas: anti-corruption, human rights and the environment. REGA bases its work on the UN global goals, Global Compact and Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

REGA allows players in the sector to hold each other accountable for meeting ambitious sustainability standards, and Dansk Cater is proud to be a part of this process.



RSPO (Roundtable on Sustainable Palm Oil)

RSPO is a global organisation that works with all parts of the value chain to maximise the proportion of sustainable palm oil used globally. RSPO has developed a set of guidelines to ensure that certified palm oil has been produced sustainably. RSPO has more than 3,000 members worldwide – including Euro Cater.



Biodiversity

Many fish stocks are under pressure today. We therefore have a focus on offering seafood products that are certified as sustainable.

All our sites in Denmark and Sweden that sell fish 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 certification, we conducted internal audits at all 31 sites during the past year (the last site does not sell seafood), and we have also had external, independent third-party audits at all sites.

The Originals project is facilitated by Dansk Cater. Together with a number of small Danish food producers, we are seeking to preserve and spread original genetic breeds and species, in order to preserve Danish endangered flora and fauna in gene banks.

Egg products

As described in our egg policy, we phased out all eggs in shells from battery hens in our own production in 2020.

We are also committed to phasing out cage eggs in our sales by 2025. This applies to liquid egg products as well as eggs in shells.

To boost sales of sustainable eggs, we regularly market them in catalogues in monthly campaigns and

digitally as special offers in our webshops, as well as in newsletters and banner advertisements. We also often market our best-selling egg product – organic carbon-neutral/compensated eggs in shells. External audits have also been carried out at our Swedish sites in accordance with the Swedish KRAV labelling scheme, which ensures high standards for animal welfare, health, social responsibility and climate impact.

Packaging

A lot of packaging is used in the food-service sector. We do this to protect the products and ensure a long shelf life, a high level of food safety and minimal food waste.

We mostly use both primary packaging (which is in direct contact with the food) and secondary packaging (e.g. boxes and bags around the primary packaging), and sometimes tertiary packaging (e.g. transport boxes and mesh trolleys).

Together with producers, we are seeking to use less packaging, where this is possible without affecting food safety. We are also looking at alternative materials for packaging that have less pollution and climate impact.

We have numerous packaging pilot projects underway. For example, together with other companies in the sector, we are assessing the overall sustainability of a European solution using recyclable plastic transport boxes. This could save us and the rest of the sector countless tonnes of cardboard boxes.

In Sweden, we have a pilot project looking at replacing the plastic bags vegetables are packed in with paper



Danish Crown Beef has started packing minced beef in a plastic tube instead of the traditional meat tray. The new packaging has been very well received by our customers. The tube contains 85% less plastic than the classic plastic tray. It also significantly extends the shelf life of the meat – from 7 days in the tray to 12 days in the tube – also helping to reducing food waste.

bags. This looks promising so far, and about 70% have now switched to paper bags. One site uses bioplastic bags made of starch from sugar cane.

We also have examples of replacing black cardboard and paper on products with brown cardboard and paper, as this has much less impact on the environment. We are doing this for some seafood products in Sweden.

Respect for minorities

We constantly strive to expand our range to match the demand we encounter each day. This also means expanding our range of foods sought by minority groups.

These choices can be for ethical reasons (e.g. vegan and vegetarian food), religious reasons (e.g. halal and kosher), or health reasons (e.g. lactose-free, gluten-free and whole grain labelled). It is often a mixture of these reasons that consumers base their choice of foods on. Whatever the reason(s), we want to be able to offer our customers the perfect menu composition.





We have partnered with the Danish Vegetarian Association, as we have a common focus on a healthy lifestyle, climate change and animal welfare. We want to always ensure our customers have as many good choices as possible, and the vegetarian movement has become an increasingly important focus area in this respect. Find out more about the association here: vegetarisk.dk

Advisory services, selling and marketing sustainability

As a wholesaler we have a co-responsibility for inspiring our customers to make sustainable choices. One initiative we are therefore pursuing is a feature in our Danish webshop that draws attention to campaigns for products that are typically sought by customers with a focus on sustainability. It is easy for our customers to select this type of product in the webshop. With a single keystroke,

customers can select non-GMO (not genetically modified) products, Fair-Trade products, organic products or MSC/ASC-certified fish and seafood. The climate footprint (calculated carbon emissions) can also be seen for each product. We expect this to boost the sales of sustainable variants. Our webshop helps to minimise food waste by pushing products that are approaching their expiry date out to customers at favourable prices. Especially during the COVID-19 pandemic, we have had to make an extra effort to promote sell-by date items on the webshop. This makes a big difference to food waste in our part of the value chain.

To support these initiatives, we have focus in both Denmark and Sweden on ensuring that our product database contains all relevant information on sustainability.

In our printed campaign materials, we continually test whether we can increase sales of sustainable goods by using relevant logos and graphic elements.

Training and education

In order to push more sustainable products into the market, we are continually training our employees 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.

At both Dansk Cater and Svensk Cater, it is primarily consultants, telesellers and purchasers who are trained in sustainability. However, due to the COVID-19 pandemic, the planned number of training sessions has not been fully completed during the past year.

Sustainable operations

Euro Cater services its customers from the northernmost tip of Sweden to the south of Denmark. We operate locally from our 32 sites and deliver extensive and flexible service. Our activities inevitably lead to a negative impact on the environment and the climate around us. We therefore focus on continually making improvements in relation to the climate, transport and waste.

Environmental and climate policy

We implement our efforts for a better environment through our environment policy. The main focus is on reducing our environmental impact through less food waste, the reuse of resources wherever possible, less emissions of diesel particles from our trucks, and many other initiatives that all aim to minimise the impact on our environment.

In our climate policy, we pay particular attention to documentation and data collection, minimising waste, optimising our energy consumption and a wide range of other initiatives in our daily operations.

CLIMATE

One of the greatest global challenges the world is facing today is the rapidly changing climate. We work every day to reduce the impact from our business activities.

This applies both to the emissions we are responsible for ourselves, and the emissions we see from our suppliers and customers.

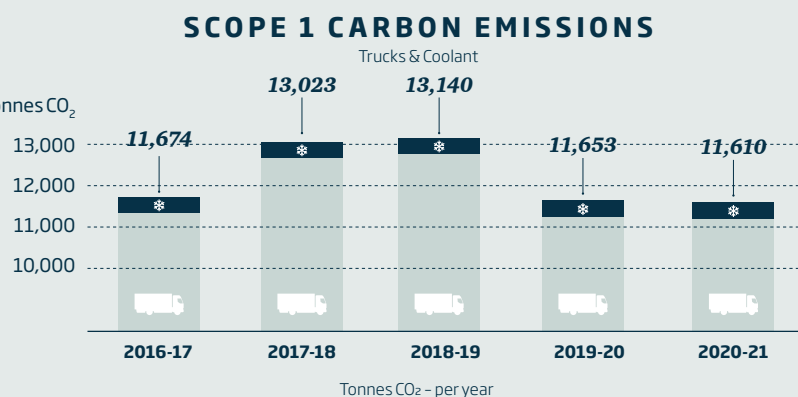
During the past year, we have applied resources to identifying climate impacts at company and product level.

Climate impact at company level

We have had a major focus on collecting and calculating the group's total climate footprint during the past year.

The analyses of our carbon emissions are structured according to the international standards of the GHG (Greenhouse Gas) Protocol.

A company's impact on the climate through greenhouse gas emissions is measured in three parts: scope 1 (direct emissions within the compa-



Note: Coolant was first calculated in 2020/21, and has been estimated at the same level of consumption in previous years.

ny), scope 2 (indirect emissions in the company), and scope 3 (emissions from suppliers and customers). We have collected precise figures for our carbon emissions in scopes 1 and 2, and estimated all 15 subcategories in scope 3.

The figure on the opposite page shows that we primarily have emissions from our own trucks, purchased goods, transport via other transport companies, the processing and disposal of goods, investments and waste.

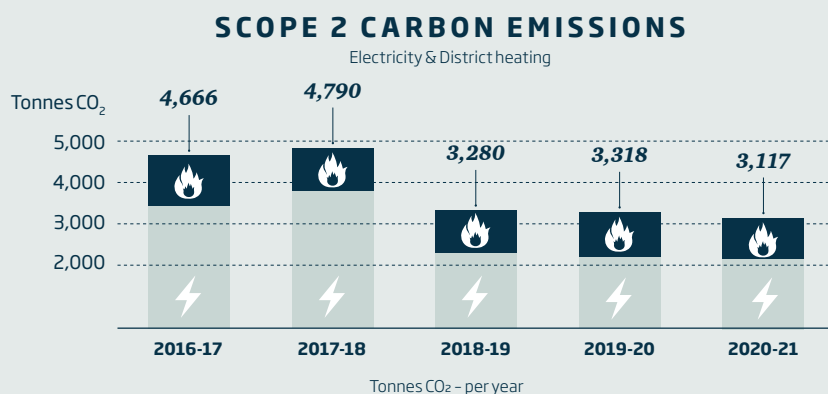
Of these factors, we have the greatest influence on transport using our own trucks, which therefore has our strong focus.

Scope 1: Direct emissions from Euro Cater

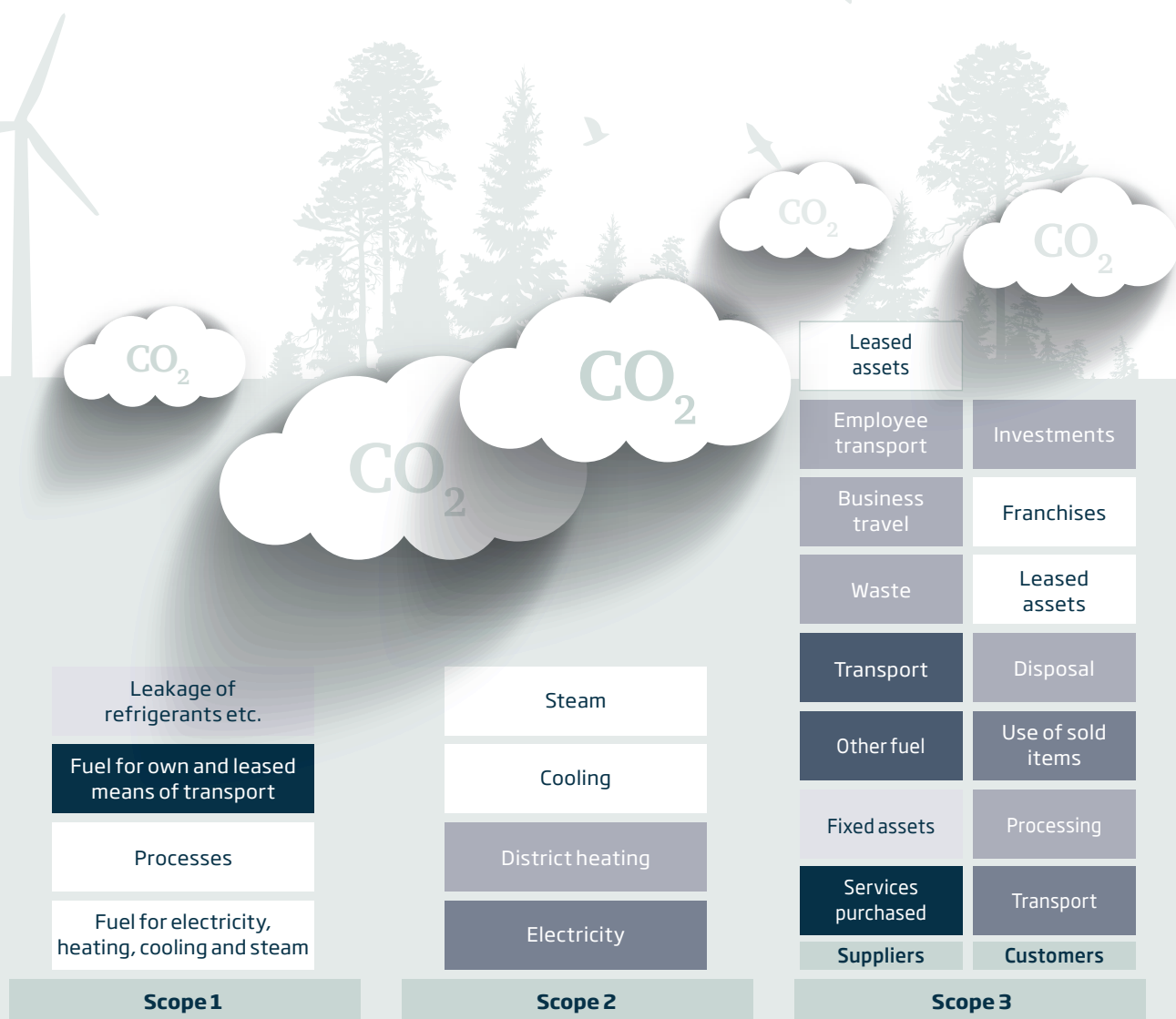
We have measured our diesel consumption for our fleet of trucks for a number of years. We have regularly taken a number of actions to minimise our diesel consumption, as described later in this report. We have made more detailed measurements over the past year, so that we can report on the climate impact (in CO₂ equivalents) from this diesel consumption.

We have also started to measure refrigerant consumption in our cold and freezing storage. We can thus now report on the climate impact of these refrigerants.

We have also investigated whether there are other sources of scope 1



Note: The drop in 2018/19 is due to the transition to green energy in Sweden.
Note: District heating also includes consumption of natural gas.



climate impacts, which we do not believe there are. This is therefore our full carbon emissions from scope 1. The great majority of our Scope 1 emissions derive from our own trucks, and only a small proportion from coolants.

Carbon emissions from trucks are proportional to our level of activity, as we are still in the start-up phase with alternative propellants. Diesel is still the main propellant we use by far.

Scope 2: Indirect emissions from Euro Cater

We have measured electricity consumption at site level and different types of consumption at sites for many years. And we have continually implemented numerous measures to minimise electricity consumption. We have also done a lot to convert electricity consumption to sustainable energy. All power consumption

at Svensk Cater is therefore green power, and Dansk Cater is currently evaluating the possibility of also switching to a green power solution. We have added extra data collection in recent years, so that we can now report on the climate impact of both our electricity and heat consumption.

We have also investigated whether there are any climate impacts in scope 2 other than electricity and heat, which is not the case. This is therefore our full carbon emissions in scope 2.

The majority of our carbon emissions in scope 2 come from our electricity consumption. A smaller proportion derive from district heating. Both are in a downward trend, as we continually focus on energy optimisation and the use of green energy.



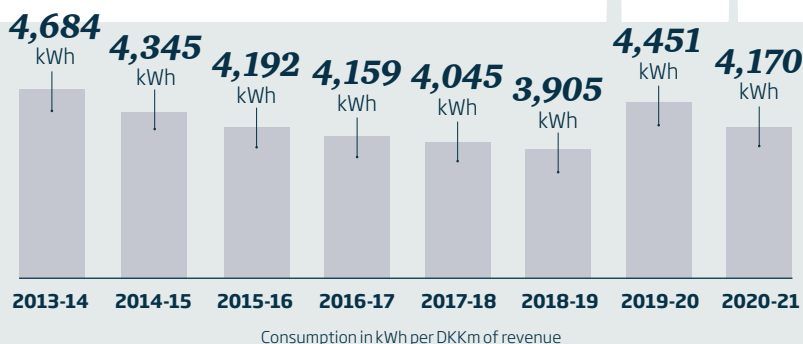
ISO 14001 Environment

Euro Cater was first environmentally certified under ISO 14001 back in 2003, and has since implemented this throughout the group in all our 32 sites.

We have carried out internal audits of all our sites during the year. We have also been visited by external auditors at selected sites.

ELECTRICITY CONSUMPTION

Total consumption: 33,9 mio kWh
 (2019/20: 35,6 mio. kWh)



Energy consumption

Through our ISO 14001 environmental certification, we work to continuously reduce our energy consumption. The foodservice sector is characterised by relatively high levels of electricity consumption, as a lot of our product inventory must be stored either refrigerated or frozen. Since 2003, we have set emission reduction targets for the various sites and reduced consumption.

Eight sites in Sweden and eleven in Denmark have now switched to CO₂ refrigeration, which typically halves the energy consumption, and thus the climate impact, compared to previous refrigeration systems. In the years ahead we expect to make more investments in modern refrigeration solutions.

In several places – particularly in Sweden – we have removed the natural gas boilers and instead used the surplus heat from the refrigeration and freezing systems to heat the rest of the buildings. At one site we have made an agreement with the local heating plant to take over our surplus heat. With the new system of energy taxes in Denmark, we will investigate whether we can use the surplus heat at more sites.

We have installed air curtains in cold rooms. These allow us to maintain different temperatures in the rooms without installing doors or walls. This enables efficient operation without compromising food safety. We have also installed air curtains at the entrance to a number of freezer rooms,

so we can minimise the loss of cold air every time the door opens.

Our total electricity consumption has dropped from 35.6 million kWh last year, to 33.9 million kWh this year. However, in terms of revenue, which has declined by approx. DKK 1.4 billion compared to the pre-COVID-19 level, the change is negative. It is not possible to reduce electricity consumption proportionally, as the majority is used in the cooling and freezing facilities at our sites.

But in absolute terms, energy consumption has improved by 5% compared to last year.

Scope 3: Emissions from suppliers and customers

While the climate impact of the two previous scopes can be calculated using data we can obtain for our own activities, scope 3 is more difficult to calculate. We are dependent here on data from suppliers, customers and other business partners.

During the past year, we have assessed the relative magnitude of all 15 categories in scope 3, i.e. 8 with suppliers and 7 with customers and consumers. We have done this on a scale from 0 (no emissions) to 5 (very high emissions). As we get more valid data for scope 3, we can expect the initial assessment to be changed.

As can be seen from the figure showing all three climate scopes, we expect the highest carbon emissions from purchased goods, transport and fuel.

We expect to also be able to measure significant carbon emissions from areas like waste, the use and disposal of products, and investments at some point in the future.

In the coming period, we will begin to assess the possibilities of collecting additional data for areas such as external transport and waste. Once we have

sufficient quality and quantity of data, we will begin more detailed regular reporting on our actions and results.

Climate impact at product level

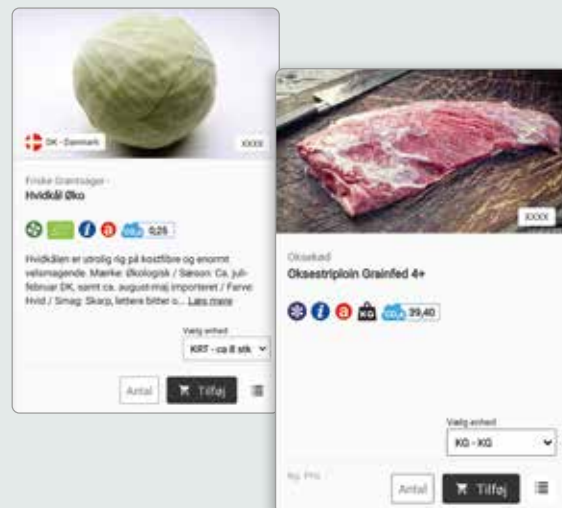
Across many sectors, the climate debate focuses on quantifying the carbon footprint of specific products. This is also true in the food sector. We have responded to this interest, and have become the first in our sector in Denmark to present tentative figures. We say 'tentative', because this information at product level is not cut and dry. There is no official, government-controlled database of CO₂e declarations at product level, so we have had to use what data we could find. It is a fledgling start and a step in the right direction, but many of the calculations are based on estimates from the available databases, and will become more accurate as time goes by.

den store KLIMADATABASE Version 1

We have used the Big Climate Database as a basis – published by Concito, an independent Danish green think tank, in late 2020. The database covers the 500 most sold



In Sweden, we have tested whether it is possible to lower electricity consumption by immersing a cooling thermostat into liquid to simulate the temperature of a food item. The result is that the thermostat does not respond to temporary changes in air temperature, but is closer to the temperature of a food item. This appears to reduce electricity consumption and wear on equipment. We do not have any data yet, but we have noticed a change in how the equipment runs and that the temperature is more even.



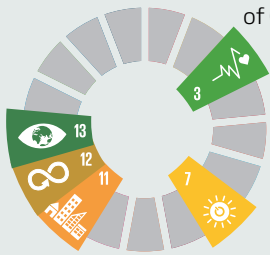


foods, and based on these we have been able to map the carbon footprint for over 50,000 of our products in Denmark. For some products, the database will lead to a precise carbon footprint, but due to the limited amount of data, there will be some margin of error for other products.

It will only be when the manufacturers of each product have data for the specific carbon impact, calculated in line with recognised standards, that we will get close to the real emissions for all products in our range.

For the time being, all carbon figures should be seen as the best available estimate, as we have noted everywhere we present this information.

For most food items in our webshop, customers can see a CO₂e icon showing a value per product. This value indicates the number of kilograms of CO₂ that were emitted per kilogram of drained weight of the given product.



TRANSPORT

During the past year, our trucks have travelled 13.4 million kilometres on the roads, and transport by external hauliers comes on top of this. In Svensk Cater, approx. 30% of goods are distributed to customers via external hauliers. Transport is therefore an important issue for us in working with our social responsibility – in our own core business and throughout our value chain. We work with responsible transport based on three aspects: road safety, pollution and climate.

Road safety

Sending many 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 habits among our drivers.

We continually invest in new technical solutions that can prevent accidents. In Dansk Cater, we have developed workwear for drivers that increases visibility as they move around in traffic

at all times of the day.

Particle pollution

Since diesel trucks emit a number of unhealthy particles, we are constantly seeking to minimise particle emissions. We have prepared a guide for the purchase of new vehicles, which includes requirements in relation to environmental impact and European emission standards.

We train our drivers in eco-friendly driving. All truck drivers in Sweden undergo statutory training in eco-friendly driving. Our other drivers undergo internal training in eco-driving.

At several of our sites, we have invested in monitoring systems in our trucks to help and guide drivers and ensure that their driving is as eco-friendly as

Bicycle delivery to customers in inner Copenhagen

In inco Copenhagen, we have started a pilot scheme trialling bicycle delivery in the inner city. Customers approach customer service in Kødbyen and are given the number of insulated boxes they need. They then find their goods, pack them in the boxes and pay at the checkout. An inco employee places refrigeration and freezing elements in the boxes and arranges hand over to the bicycle courier. The goods are then collected and delivered within three hours.

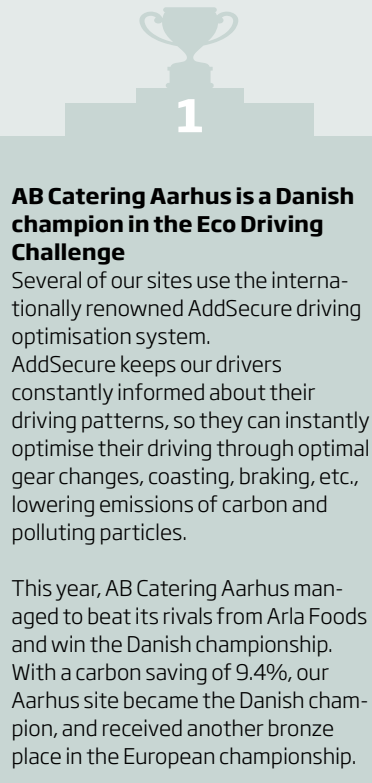
possible in the given conditions.

Climate impact from carbon emissions

We are continually working to minimise our fossil fuel consumption. We drive several million kilometres each year, and we are well aware that this has a major climate impact. As mentioned above, we set technical requirements for new vehicles, such that we make use of the latest technology that minimises carbon emissions.

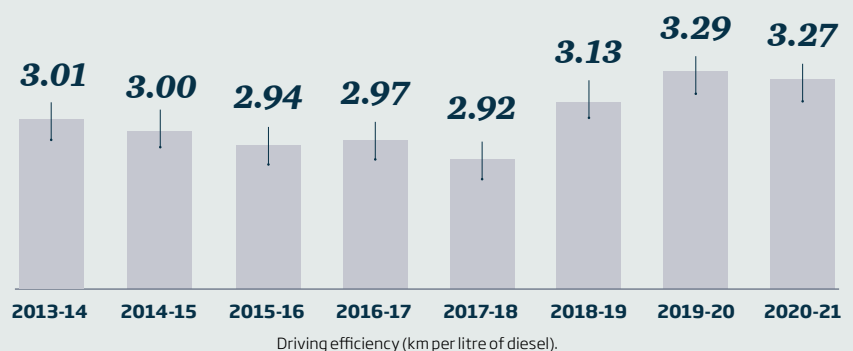
We are also experimenting with new types of fuel. For example, we have invested in a truck that runs on natural gas, which can typically reduce carbon emissions by up to 25%.

In Sweden, we have a site that has run on HVO for a few years, and during the summer of 2021, six of our Danish sites invested in filling equipment etc. which allows selected trucks to use HVO biodiesel. By using HVO biodiesel, we can reduce carbon emissions by over 90% compared to traditional



DRIVING AND FUEL

In 2020/21, Euro Cater covered 13.4 million kilometres in our own vehicles. This equates to 335 times round the world.

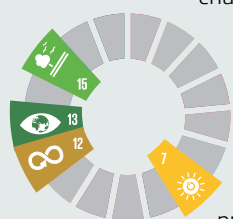




diesel. We will test the possibilities this propellant offers in the coming financial year, and expect to expand to more sites if the results are good.

We have also purchased electric hybrid vans in Sweden. These run the first many kilometres on electricity before switching to diesel. Finally, we were the first in Denmark to acquire a 100% electric van, where both the vehicle and refrigeration system run exclusively on electricity.

We managed to keep our driving efficiency – the number of kilometres we get from a litre of diesel – at the same level as the previous year, despite challenges from COVID-19.



WASTE

Receiving, transporting and distributing tonnes of food products on a daily basis involves a lot of packaging.

Our strong focus on food safety also invariably leads to some food waste.

Such waste of resources is high on our agenda. Minimising the volume of waste and food waste requires targeted strategies and solutions throughout the value chain and across the sector.

Waste

Picking products to fill orders is a core activity for us, and gives rise to

relatively large volumes of cardboard and plastic waste in particular. Where possible, we want to increase the use of circular waste methods, allowing us to reuse as many types of waste as possible.

We regularly investigate the waste fractions we handle, and how these are defined and handled at the waste collection companies we use. To simplify this process, we pooled almost all waste with a single waste collection company for all our Danish sites during the past year. We are working on getting the last fractions covered, and extending this model to Sweden.

One of our goals is to minimise the quantity of mixed waste which is simply used to generate energy in incineration plants. The more we can transfer into the various waste fractions the better, as these are recycled in new products. During the year, we successfully reduced the share of mixed waste by 2.4 percentage points.

Food waste

We reduce food waste where we can. It is a global challenge which must largely be addressed locally. 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 both Denmark and Sweden, we have new functionality in our webshop whereby we promote products

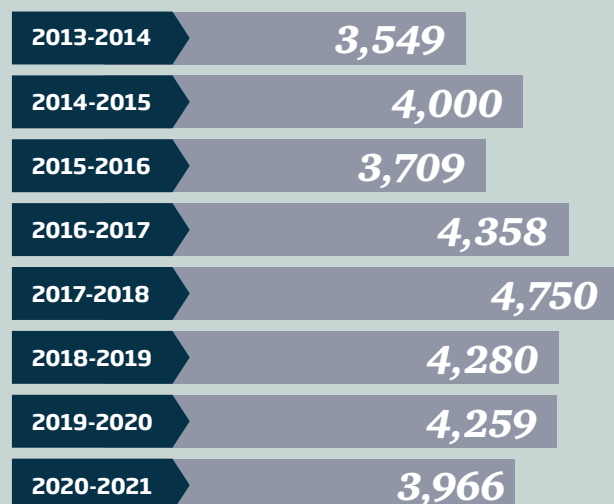
that are approaching their expiry date. Under this initiative, we were able to sell 235 tonnes of goods in Denmark during the past year which were at risk of becoming food waste, but were instead sold to and used by our customers. We sold a further 90 tonnes of potential food waste via telesales, where we actively contacted customers to find buyers for these sell-by date products. We can see that the webshop is gradually taking over sales of sell-by date products from our telesales, as planned. We still do not have figures for how much food waste we have prevented in Sweden, but are implementing this feature in our IT systems.

The COVID-19 pandemic has made food waste one of our major focus areas. With the closure of many canteens and eateries in Denmark, we were suddenly left with stocks of food items that could not be sold to the intended customers. All our sites in Denmark and Sweden made a big effort to sell food items with lower uptake due to the COVID-19 pandemic at reduced prices, to avoid the food being wasted. We advertised lots of special offers on all our webshops, and sought to minimise food waste through other sales channels.

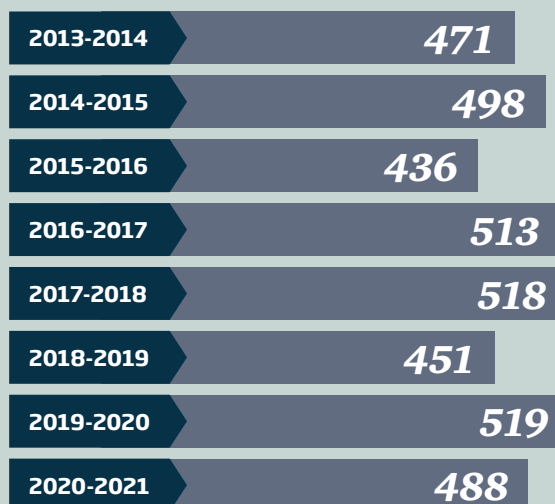
We are also a partner in the 'Gartnerhjælpen' project, where we sell unsaleable vegetables from selected suppliers, such as curved cucumbers, sunburnt cabbage and other slightly deformed but fresh vegetables. In

WASTE

Waste (tonnes).



Waste in kg (per DKKm of revenue).



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

general, about 30% of vegetables never come onto the market despite good quality and freshness, but are discarded due to appearance. We want to change this.

Finally, we regularly donate surplus food to charities.

We are sorting our waste more and more. This means there will be a greater proportion of food waste (organic waste) for a time, because we are training our employees to sort the waste correctly and sustainably. We are implementing measures to minimise food waste in our part of the value chain in parallel, and hope that this proportion will fall again over time. During the past year, our proportion of organic waste has thus risen by 0.7 percentage points. However, this is probably also partly due to the COVID-19 pandemic.

generates climate-neutral electricity and heat. The residual product – biomass – is then used as an effective fertiliser in Danish agriculture. In Sweden, food waste from vegetables is used for biogasification at several sites. We also have agreements with various wildlife parks and restaurants to receive sell-by date products, so as little as possible is wasted.

Less plastic

Svensk Cater in Uddevalla is focusing on reducing its consumption of wrapping plastics by optimising how mesh trolleys are packed. We have successfully cut plastic consumption by over 75% during the past three years, reducing the negative impacts on the environment and climate, as well as our costs. We will now begin to look at where we can transfer this experience to other sites.



SOUS VIDE GIVES LESS FOOD WASTE

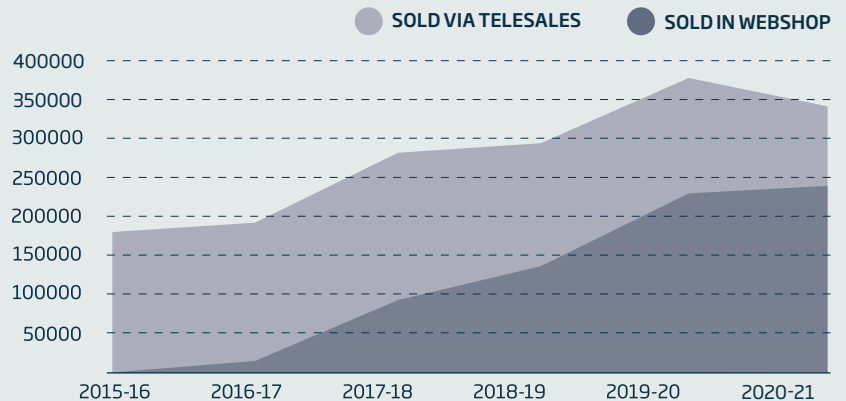
When diners leave no food uneaten, it impacts the bottom line for our customers. Food waste is expensive. Our subsidiary, Cater Food, has therefore developed a sous vide concept over the past 15 years, with the best spice mixtures and preparations. With a long shelf life of 30 days, this leads to significantly less food waste.



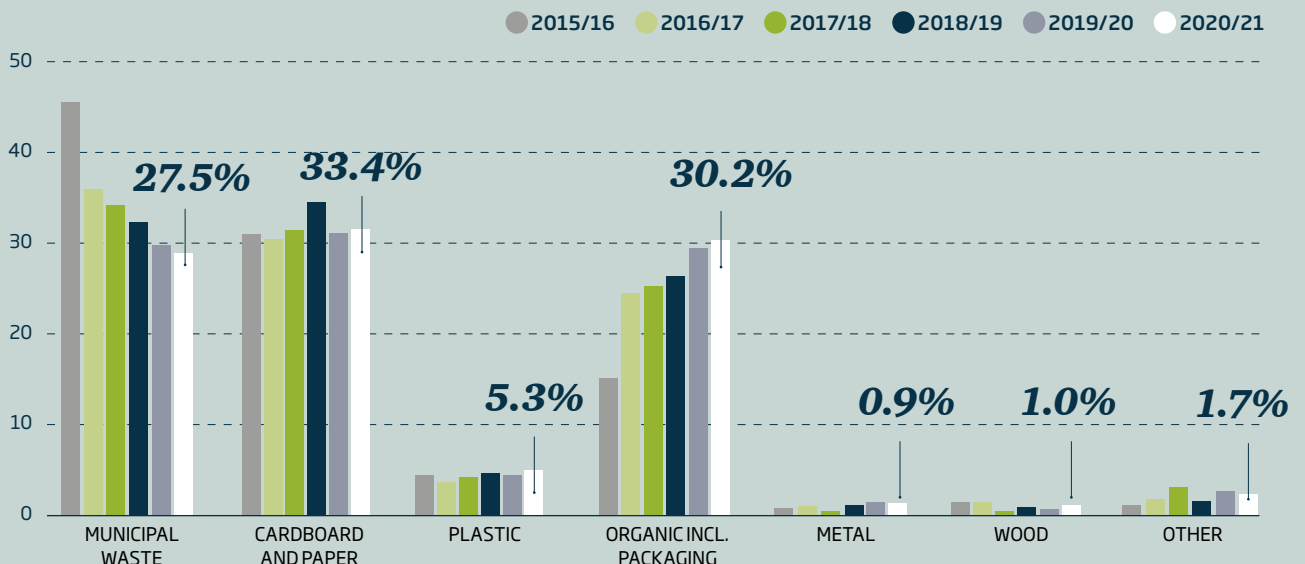
In 2021, Dansk Cater joined 'Danmark mod Madspild', a voluntary agreement whereby we commit to halving our food waste by 2030. This corresponds to target 12.3 of the UN Global Goals, to halve global per capita food waste by 2030. We will therefore focus on collecting data for our food waste, and continuously minimising this. Year after year.

Where possible, our organic waste is used to produce biogas, which

FOOD WASTE PREVENTED (IN KG)



WASTE DIVIDED INTO FRACTIONS



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.

Sustainable workplace

We aim to continually promote a good, healthy and responsible workplace that creates a good and exciting life for our many employees, and the community around us. We do this by focusing on a safe and healthy workplace, developing employee competencies, and corporate governance.





HEALTH AND SAFETY

Our approx. 2,100 employees invest a great deal of time and energy in their work. We therefore want to give them 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 becoming worn out. Some work functions involve heavy lifting and pushing products around when distributing them at warehouses 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. When we buy new trucks, we have started to require that they normally be equipped with electric roller doors, to save the driver from opening rear doors. Svensk Cater has held courses on the working environment and occupational safety for 90% of the new members of local management teams during the year.

Staff survey of the working environment

Svensk Cater continuously works to improve the psychological working environment for offices, warehouses and drivers. Based on analyses conducted, action plans have been formulated for all sites, and we are now in the process of implementing the chosen improvements.

With our 32 independent sites in Denmark and Sweden, Euro Cater is a decentralised organisation with a high degree of self-determination. 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 various workplaces. Many of

the sites are involved in activities like sport, weight loss programmes and stop-smoking courses

In the coming years we will start collecting more data at group level on the physical and psychological working environment, in both Denmark and Sweden. This will also make it easier for us to make improvements across all sites.

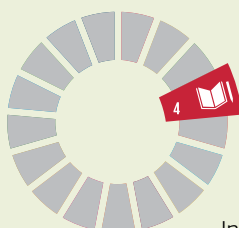
Working environment assessment

(Denmark)



9 SITES

This year, 9 of our 15 sites have achieved green health and safety smileys. The assessment has been granted following visits by the Danish Working Environment Authority. Three sites received yellow smileys, with a total of six orders issued, four of which have already been addressed. Four sites have not yet received a health and safety smiley – one because there has been no inspection, and three due to a total of four orders, two of which have already been complied with and two yet to be resolved. These relate to lifting large bags and boxes, challenges that we will soon find solutions to.



COMPETENCE DEVELOPMENT

In a sector where personal relationships are vitally important, we have a focus on continually

developing employees' competencies. We train our employees in a general understanding of social responsibility, our policies and what they actually mean for each person's daily work activities. This applies particularly to sales consultants, purchasers, managers, drivers and dispatchers.

During the past year we have had selected employees complete sustainability courses. We have held four courses for some of our purchasers, and one for our sales consultants. All managers have had sustainability as a theme at four department head meetings during the year, and at a two-day seminar in Sweden. However, our training activities have been much reduced this year due to the COVID-19 pandemic.

We will collect more data at the group level about our employees' competence development in the coming years. We will report on this in future annual reports.

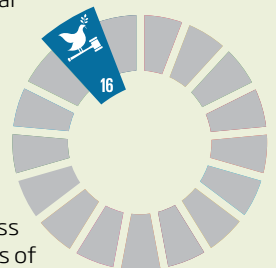
CORPORATE GOVERNANCE

We run our business based on principles of decency. This means that we compete on market terms and act with decency, and always within the law.

Anti-corruption

Corruption is a criminal offence and damaging for society. We reject corruption, and have formulated an anti-corruption policy to support this. We are working on an internal Employee Code of Conduct, in which anti-corruption will be a key area. Our employees (primarily in procurement and sales) will receive training in this.

Anti-corruption is also integrated into our Supplier Code of Conduct and has therefore been incorporated as a focus area in our supplier relations.





We are not aware of any cases of corruption within our company or among our suppliers during the past year.

Fair tax payments

We believe that companies should pay taxes in the societies where they earn their money. We therefore pay our taxes in Denmark and Sweden. We actually pay so much tax, that for several years running we have received a letter from the Danish Minister for Taxation, thanking us for being one of the 100 largest payers of Danish corporate tax. We are proud of this.

Fair competition

We love competition, and we work in a very competitive sector. This means we have to maintain a strong focus on staying within the framework of fair competition, so we

can stand by all our actions – both legally and morally.

We have had no cases during the past year where fair competition has been called into question.

Fair marketing

The consumer image of sustainability is becoming more and more complex. This makes it easy to exaggerate the excellence of a product. To avoid this, we make a big effort to tag all our products with all the relevant characteristics linked to sustainability, such as organic production, MSC/ASC certification, the whole grain label or being lactose-free.

We are very careful to observe all applicable rules for good and fair marketing. This includes complying with the latest guidelines published

this year by the Danish Consumer Ombudsman. In the coming year, we will update our sales and marketing staff in relation to the new rules.

Donations and support

All sites are involved in supporting various local initiatives. We strive to be a responsible neighbour, and help as best we can. We do this by donating time, money and food and drink. We have many initiatives that help disadvantaged children and their families. There are also initiatives that help overweight children. We also sponsor a wide range of local sports associations.

Inclusion and anti-discrimination

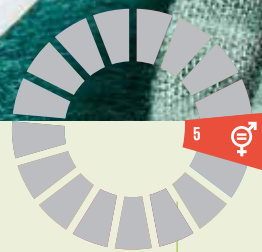
We have a relatively large workplace, with 32 sites in two countries. We profit from our customers in all communities. It is therefore important for us to be open and reflect the community around us. We therefore have a strong focus on including all employees, and never accept discrimination or harassment of any kind in the workplace. We established a whistleblower scheme in spring 2021, in part to ensure the above, and so that employees and other stakeholders have the opportunity to make us aware of any inconsistencies with this principle. Reports can be made anonymously and the scheme is operated by a third party, to ensure an appropriate separation of roles.



GENDER DISTRIBUTION FOR JOB FUNCTIONS

Recruitment for leading positions in the Euro Cater group has primarily taken place internally in the past. It is therefore natural that the number of women in management positions roughly reflects the overall 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



2,120

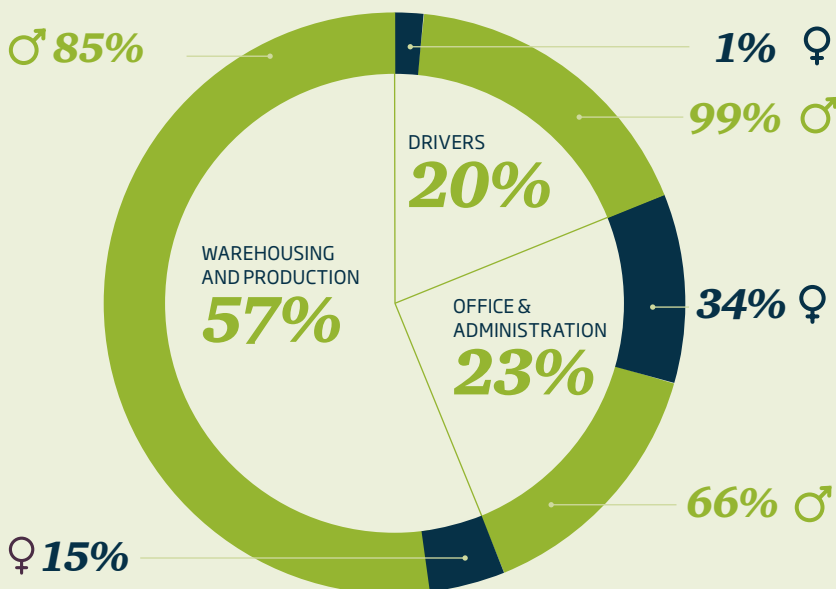
GENDER DISTRIBUTION

Men

83% ♂

Women

17% ♀



Targets and policy for the underrepresented gender

We have retained our goal that one of four members of the Board of Directors selected by the general meeting should be a woman in 2021/22. Four out of four board members elected by the general meeting are currently men. We have therefore not come closer to this goal during the year, as the current board is deemed to have the right skills

and composition in relation to our strategic challenges and plans.

The group's senior management groups consist of approx. 125 people, 12 of whom are women (about 10%). 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-quali-

fied 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.

SUSTAINABLE TRADING

		ANNUAL RESULTS 2020/21			GOALS 2021/22	
RISKS	FOCUS AREA	GOALS	ACTION	RESULT	GOALS	PLANNED ACTIONS
Food safety	Food safety POLICY Food safety	<ul style="list-style-type: none"> • All sites 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"> • External ISO 22000 audits completed at all locations • Internal ISO 22000 audits completed at all locations 	<ul style="list-style-type: none"> • All sites ISO 22000-certified • Internal audits of all 32 sites carried out • External audits of all sites carried out • Elite smiley for 15 of 15 Danish sites 	<ul style="list-style-type: none"> • All sites ISO 22000-certified • Internal audits of all sites carried out • External audits of all sites carried out • No admonitions in connection with inspections by the Danish Veterinary and Food Administration • Improved handling of customer complaints • Learning from corrective and preventive actions 	<ul style="list-style-type: none"> • Carry out external ISO 22000 audits of all locations • Carry out internal ISO 22000 audits of all locations • Implement improvements in handling customer complaints • Disseminate learning in all sites from corrective and preventive actions
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 • 95% of suppliers (by volume) have been risk-assessed • Focus on transport suppliers • Ongoing training of procurement staff in supply chain management 	<ul style="list-style-type: none"> • Code of Conduct sent to selected suppliers • Risk assessed existing and new suppliers • Supplier Code of Conduct sent to 5 transport suppliers • Procurement staff trained in supply chain management 	<ul style="list-style-type: none"> • 62% of suppliers (by volume) have accepted Code of Conduct • 97% of suppliers (by volume) have been risk-assessed • Supplier Code of Conduct sent to 0 transport suppliers • 4 training sessions in supplier management held with purchasers 	<ul style="list-style-type: none"> • 65% of suppliers (by volume) have accepted our Code of Conduct • 98% of suppliers (by volume) have been risk-assessed • New Supplier Code of Conduct developed • Euro Cater registered with Sedex • Focus on transport suppliers • Ongoing training of procurement staff in supply chain management • Registered with ETI Sweden 	<ul style="list-style-type: none"> • Code of Conduct has been sent out to selected suppliers • Risk assessment of existing and new suppliers • Development of a new Supplier Code of Conduct • Registered with Sedex • Supplier Code of Conduct sent to 5 transport suppliers • Training of more procurement staff in supply chain management
Transparency Human rights Carbon emissions Chemicals Environmental pollution Animal welfare Soy 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"> • All cage eggs from own production still phased out • Fats and oils used in our own production may still only contain RSPO-certified palm oil • 100% of relevant sites MSC/ASC-certified • Internal MSC/ASC audits conducted for all relevant sites • External MSC/ASC audits conducted for selected sites • External KRAV audits conducted for all Swedish sites • Organic products etc. 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"> • All cage eggs phased out from own production • Promoted cage-free eggs • Phased out fats used in own production from palm oil • Promoted RSPO palm oil • Internal MSC/ASC audits conducted for all relevant sites • External MSC/ASC audits conducted for selected sites • External KRAV audits conducted for all Swedish sites • Promoted organic products, etc. in webshop 	<ul style="list-style-type: none"> • No cage eggs in own production • No palm oil in fats in own production • 60% of palm oil used in fats and oils (off-the-shelf products) is RSPO-certified • All relevant sites MSC/ASC-certified • Internal MSC/ASC audits conducted for all relevant sites • External MSC/ASC audits conducted for selected sites • External KRAV audits conducted for all Swedish sites • Organic products etc. promoted in our webshop • Procurement staff trained in the development of a sustainable product range • Sales staff trained in sustainable selling • Registered with Dansk Alliance for Ansvarlig Soja 	<ul style="list-style-type: none"> • Still no cage eggs in own production • Still only RSPO-certified palm oil in own production • All relevant sites MSC/ASC-certified • Internal MSC/ASC audits conducted for all relevant sites • External MSC/ASC audits conducted for relevant sites • External KRAV audits conducted for all Swedish sites • Organic products etc. promoted in our webshop • Procurement staff trained in the development of a sustainable product range • Sales staff trained in sustainable selling • Registered with Dansk Alliance for Ansvarlig Soja 	<ul style="list-style-type: none"> • Promote RSPO palm oil • Internal MSC/ASC audits conducted for all relevant sites • External MSC/ASC audits conducted for selected sites • External KRAV audits conducted for Swedish sites • Promotion of non-cage eggs, organic products, etc. in webshop • Training of procurement staff in the development of sustainable product range • Training of sales staff in sustainable selling

SUSTAINABLE OPERATIONS

RISKS	FOCUS AREA	ANNUAL RESULTS 2020/21			GOALS 2021/22	
		GOALS	ACTION	RESULT	GOALS	PLANNED ACTIONS
Carbon emissions Renewable energy Electricity consumption Heat consumption Water consumption	Energy POLICY Climate policy	<ul style="list-style-type: none"> • Decrease in electricity consumption per DKKm in revenue • All sites are ISO 14001-certified • Internal ISO 14001 audits conducted for all locations • External ISO 14001 audits conducted for selected locations • Climate figures for scopes 1 and 2 	<ul style="list-style-type: none"> • Local improvements in energy consumption • Conducted internal and external ISO 14001 audits • Continued investment in CO₂ refrigeration systems • Proposals for investments in renewable energy • Measure climate impact from refrigerants • Converted all consumption figures into CO₂e • Used Concito's Big Climate Database 	<ul style="list-style-type: none"> • 6.3% annual decrease in electricity consumption per DKKm in revenue • All sites are ISO 14001-certified • Internal ISO 14001 audits conducted for all locations • External ISO 14001 audits conducted for selected locations • Climate figures for scope 1+2 (and scope 3 estimate) calculated • Climate declaration attached to (almost) all food items 	<ul style="list-style-type: none"> • Long-term goals set for energy and climate • Decrease in electricity consumption per DKKm in revenue • All sites are ISO 14001-certified • Internal ISO 14001 audits conducted for all locations • External ISO 14001 audits conducted for selected locations • More climate figures for scope 3 	<ul style="list-style-type: none"> • Development of long-term goals • Local improvements in energy consumption • Conducted internal and external ISO 14001 audits • Continued investment in CO₂ refrigeration systems • Proposals for investments in renewable energy • Proposals for the use of surplus heat • Find more scope 3 climate figures
Carbon emissions Particle emissions Traffic safety Local communities Environmental pollution Renewable energy	Transport POLICY Environment policy Climate policy Transport policy	<ul style="list-style-type: none"> • Increase in the number of kilometres per litre of diesel • Environmental impact from transport further analysed • A safer fleet of trucks 	<ul style="list-style-type: none"> • Further analysed environmental impact from transport • Trained drivers • Continual upgrading to a safer and more eco-friendly fleet of trucks 	<ul style="list-style-type: none"> • Training of drivers • Continual upgrading to a safer and more eco-friendly fleet of trucks (e.g. electric hybrid and purely electric vehicles) 	<ul style="list-style-type: none"> • Development project for sustainable transport announced • Deploy fleet management systems • Implement HVO at more sites • Electric or hybrid salesperson vehicles 	<ul style="list-style-type: none"> • Partner with sustainable truck manufacturer • Extend fleet management systems to more sites • Acquire HVO systems • Plan for salesperson vehicles
Carbon emissions Chemicals Environmental pollution Food waste Resource consumption Reuse	Waste POLICY Environment policy Climate policy	<ul style="list-style-type: none"> • 350 tonnes prevented from becoming food waste via webshop and telesales • Proportion of mixed waste reduced • Greater awareness in the webshop of sell-by date products • Fractionation of waste optimised • Current and potential fractions for individual sites and waste collection companies fully identified 	<ul style="list-style-type: none"> • Continued promotion of sell-by date products • Further initiatives to minimise food waste • Further fractionation of waste locally, where possible • Optimise plastic consumption for trolley packaging • All Danish sites covered by one waste collection company 	<ul style="list-style-type: none"> • 325 tonnes prevented from becoming food waste • Proportion of mixed waste has been reduced by 2.4 percentage points • Greater awareness in the webshop of sell-by date products • Fractionation of waste optimised • Current and potential fractions for individual sites and waste collection companies partially identified • All Danish sites covered by one waste collection company 	<ul style="list-style-type: none"> • Relevant employees trained in waste sorting • Internal competition between sites • Data collected from Marius Pedersen in Denmark • Overview of whether we can take waste back from customers • Overview of our suppliers' packaging strategies • Measured prevented food waste in Sweden • Disseminated experience from Swedish trial of plastic around mesh trolleys 	<ul style="list-style-type: none"> • Training of relevant waste sorting staff • Implement internal competition between sites • Agree on data from Marius Pedersen in Denmark • Identify whether we can take waste back from customers • Identify our suppliers' packaging strategies • Measure prevented food waste in Sweden • Disseminate experience from Swedish trial of plastic around mesh trolleys

SUSTAINABLE WORKPLACE

		ANNUAL RESULTS 2020/21			GOALS 2021/22	
RISKS	FOCUS AREA	GOALS	ACTION	RESULT	GOALS	PLANNED ACTIONS
Human rights Occupational safety Occupational health	Safety and health POLICY 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 local occupational safety 	<ul style="list-style-type: none"> •9 of 15 sites received green smileys 	<ul style="list-style-type: none"> •Green working environment smileys for all sites in Denmark •Inspirational catalogue on occupational safety implemented •Inspirational catalogue on absence due to illness implemented •Health and safety data collected at group level •Collect information on local health initiatives 	<ul style="list-style-type: none"> •Focus on occupational safety •Develop inspirational catalogue on occupational safety •Develop inspirational catalogue on absence due to illness •Collect health and safety data at group level •Collect information on local health initiatives
Anti-corruption Training	Competence development POLICY Working conditions Anti-corruption	<ul style="list-style-type: none"> •Implemented Employee Code of Conduct •Trained employees in anti-corruption •Trained salespeople •Trained procurement staff •Trained managers 	<ul style="list-style-type: none"> •Training procurement staff •Training of managers 	<ul style="list-style-type: none"> •Developed competences of procurement staff on sustainability •Developed competences of managers on sustainability 	<ul style="list-style-type: none"> •Overview of local competence development •Training of sales staff •Training procurement staff •Training of managers 	<ul style="list-style-type: none"> •Collect data on local competence development •Train salespeople •Train procurement staff •Train managers
Transparency Private life Human rights Tax Discrimination Local communities Job creation Marketing Diversity Anti-corruption	Corporate governance POLICY Working condition Gender policy in management Anti-corruption	<ul style="list-style-type: none"> •Local initiatives completed 	<ul style="list-style-type: none"> •Local initiatives 	<ul style="list-style-type: none"> •Local initiatives completed 	<ul style="list-style-type: none"> •Implemented Employee Code of Conduct •Trained employees in anti-corruption •Found strategic sponsorship •Published more ESG data 	<ul style="list-style-type: none"> •Implement Employee Code of Conduct •Train employees in anti-corruption •Find strategic sponsorship •Find data on multiple ESG KPIs

Stakeholders

STAKEHOLDER RELATIONS

Without our stakeholders, we cannot achieve our mission of making it easy for our customers to serve healthy, inspiring and responsibly produced food.

All our stakeholders are important to us in our work with sustainability.

We continuously work to strengthen and improve our relationships with all stakeholders, and all inputs are included in our materiality analysis. We are thereby better assured of focusing on the areas of sustainability that really make a difference among our stakeholders, and thus in our world.

STAKEHOLDER GROUP	METHODS	TOPICS
Owners	Board meetings, reports, annual reports, general meetings, ad hoc meetings, sustainability report	Strategic direction, finances, risks, sustainability, branding, M&A, organisation, positioning, investment, corporate governance
Employees	Manager interviews, performance and development reviews, WPAs, intranet, email, info screens, message boards, annual reports, training, whistleblower scheme, sustainability report	Working conditions, pride and purpose, colleagues, safety, health, remuneration, profit sharing, work tasks, sustainability, career, job security, competence development
Customers	Websites, webshops, daily administration, annual meetings, trade fairs, training, joint projects	Daily administration, strategic agreements, product development, sustainability, delivery, pricing, branding
Consumers	Information via customers, general market and trend analyses	Price, quality, taste, brands, sustainability
Suppliers	Daily administration, strategic agreements, Supplier Code of Conduct, training, audits, list of requirements, trade fairs, annual meetings	Daily administration, strategic agreements, product development, sustainability, delivery, pricing, branding
Authorities	Emails, inspections, websites	National legal requirements, EU legal requirements, standards, allowances, taxes, subsidies, prohibitions and orders Food safety, marketing, reporting, working conditions, employment conditions, etc.
Local communities	Local activities, sponsorships, donations, internships, visits, family, volunteer work	Support, sponsorships, knowledge, internships, no pollution, no traffic jams or noise, local pride, workplaces, tax
Development partners	Project meetings, emails, lectures, webinars, workshops	Know how, inspiration, innovative new products
Society/NGOs	Emails, meetings, social media, visits, complaints, whistleblower scheme	All our positive and negative impacts on the world (e.g. climate, pollution, animal welfare, tax payments, job creation, traffic, biodiversity, work safety, human rights and anti-corruption).






Risk analysis

VALUE CHAIN AND RISKS

Our sustainability strategy is based on a number of analyses that give us a continuous picture of the elements in our corporate social responsibility. One of the key analyses identifies the risks that we or the rest of our value chain could have a negative impact on the world.

We see it as our responsibility to continually strive to minimise these negative impacts.

We monitor these risks to ensure we exercise due diligence, and can thereby minimise or totally eliminate these risks, while also minimising or eliminating their effects, should they occur.

	Agriculture and raw materials	Production and industry	Transport	Euro Cater	Customers and consumers
 Environment	Chemicals Water consumption Waste water Waste and recycling Raw material use Pollution Animal welfare Production methods Biodiversity Environmental accidents Food waste	Chemicals Water consumption Waste water Waste and recycling Raw material use Pollution Animal welfare Production methods Environmental accidents Food waste	Air pollution Animal welfare Waste	Environmentally harmful products Food waste Waste and recycling Product range composition Packaging	Returnable packaging Food waste and waste
 Climate	CO ₂ emissions	CO ₂ emissions	CO ₂ emissions	CO ₂ emissions	
 Human rights	Food safety Local communities	Food safety Local communities	Road safety Food safety	Road safety Marketing Food safety	Food safety Health
 Worker rights	Occupational safety Health Worker conditions Child/forced labour Pay	Occupational safety Health Worker conditions Child/forced labour Pay	Occupational safety Health Worker conditions Child/forced labour Pay	Occupational safety Health Worker conditions	
 Good Governance	Bribery Corruption Transparency	Bribery Gifts	Bribery Gifts	Bribery Gifts	Gifts

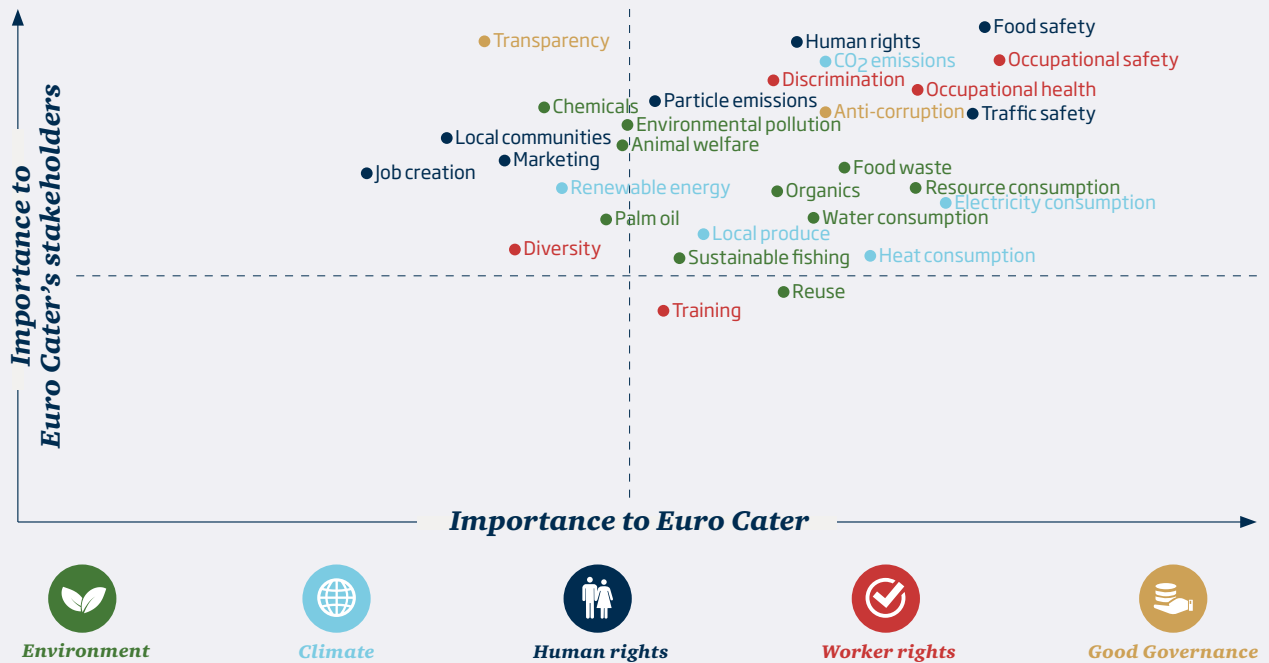
Materiality analysis

MATERIALITY ANALYSIS

At the same as we analyse the risks to which we and our value chain subject the external environment, we continually review sector trends, market needs and technological developments.

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

This figure only shows the most important sustainability areas.



SDG reporting

SDG REPORTING

SDG stands for Sustainable Development Goals – the UN's 17 global goals.

As mentioned earlier in the report, we focus primarily on goal 3 (Good health and well-being), goal 12 (Responsible consumption and production) and goal 13 (Climate action).

There are also a number of other global goals that we see as our secondary goals. We do not have the same opportunities to work towards these, but nevertheless deem them to be relevant. They are described below.

GLOBAL GOALS	RELEVANCE	OUR STATUS	FUTURE PLANS
1	1/5	Import products, directly or indirectly, from third world countries where jobs are created. Supplier requirements in the Supplier Code of Conduct.	Greater demands on suppliers to pay employees a living wage. Greater focus on Fair Trade, cooperatives and social suppliers.
2	2/5	Import products, directly or indirectly, from third world countries where jobs are created. Supplier requirements in the Supplier Code of Conduct.	Greater demands on suppliers to pay employees a living wage. Greater focus on Fair Trade, cooperatives and social suppliers.
3	5/5	Nudge customers to choose healthy alternatives. Offer healthy alternatives in all product categories. Specifically market healthy alternatives such as organic products, keyhole label, whole grain, KRAV-certified, etc. Train customers in organic products, etc.	Offer more healthy alternatives in all product categories. More marketing for healthy alternatives. More training in healthy food for customers.
4	2/5	Internal employee training. Train customers in organic products, etc.	Implement e-learning so that internal training can be prioritised. More training for customers in areas other than organic products. Training and support for selected suppliers to increase sustainability in the value chain.
5	1/5	Focus on anti-discrimination in-house. Focus on gender distribution in management. Supplier requirements in the Supplier Code of Conduct.	Greater focus on attracting more female employees and managers at all levels. Greater demands on suppliers for gender equality.
6	3/5	Effective wastewater discharge.	Greater demands on suppliers regarding wastewater management, drinking water extraction and sanitation.
7	4/5	Energy optimise own facilities – LED lighting, CO ₂ refrigeration, heat pumps, utilise surplus heat, phase out oil and natural gas boilers, insulation, airlocks in cold rooms, etc. Svensk Cater uses 100% green power.	Dansk Cater will make the transition to 100% green power. Better use of surplus heat. Long-term group targets for energy consumption and intensity. More demands on suppliers regarding renewable energy and energy optimisation.
8	4/5	Local focus on occupational health and safety. Health and safety smileys in Denmark. Purchase of safety equipment such as safety clothing, lifting gear and protective equipment. Supplier requirements in the Supplier Code of Conduct.	Set group targets for occupational health and safety. Group-wide initiatives. Data collection at the group level. Greater demands on suppliers.
9	0/5	-	-
10	1/5	Import products, directly or indirectly, from third world countries where jobs are created. Supplier requirements in the Supplier Code of Conduct.	Greater demands on suppliers to pay employees a living wage. Greater focus on Fair Trade, cooperatives and social suppliers.
11	1/5	Pilot projects trialling less polluting and noisy heavy vehicles in cities	Greater use of trucks that do not emit hazardous particles or make noise in cities.
12	5/5	Waste sorting. Packaging optimisation. Sustainable product range. Supply chain management. Corporate governance. Nudging customers towards more sustainable purchases. Minimising pollution.	Less waste. Better waste sorting and recycling. Extra sustainable alternatives in range. Phasing out unsustainable products. Greater demands on suppliers. More nudging of customers.
13	5/5	Energy optimisation. Renewable energy. Phasing out use of fossil fuels in vehicles. Surplus heat utilisation. Climate data (scope 1+2+3). LCA climate data for products.	More energy optimisation. Transition to 100% green energy. Climate compensation. Collect more climate data (scope 3). Additional supplier requirements (e.g. KPIs for energy consumption and climate data for products). TCFD climate risk reporting.
14	3/5	MSC/ASC-certified fish. Minimise use of plastic. Supplier requirements.	More MSC/ASC-certified fish. Less plastic in packaging. Greater demands on suppliers. Special seafood suppliers.
15	3/5	Products with a focus on biodiversity. Less pollution. RSPO palm oil.	FSC/PEFC-certified packaging. Afforestation. Supplier requirements. Certified soy.
16	2/5	Anti-corruption policy. Supplier requirements.	Training in anti-corruption. Greater demands on suppliers. Selected support projects.
17	3/5	Development projects in areas such as packaging, fossil-free transport and product development.	More projects focusing on areas such as developing sustainable products, packaging, energy optimisation and use of surplus heat.

ESG reporting

ESG REPORTING

ESG stands for Environmental, Social and Governance – the three main areas of sustainability.

Even though we are not a listed company, we want to show as much transparency as possible. We therefore apply Nasdaq's principle of transparency in ESG data in the table structure below.

We will report on all the data we have available which also has sufficiently high data quality. We are continually developing our ESG data, and will therefore regularly expand the reporting in this table.

INDICATOR	UNIT	GOAL	2020/21	2019/20	2018/19	2017/18	2016/17
Environment							
CO ₂ e, scope 1	Tons	0	11.610	11.653	13.140	13.023	11.674
CO ₂ e, scope 2	Tons	0	3.117	3.318	3.280	4.790	4.666
Energy consumption (electricity)	kWh	-	4.170	4.451	3.905	4.045	4.159
Social							
Full-time workforce	FTE	-	2.120	2.263	2.367	2.262	2.191
Gender diversity	%K	-	17	16	16	16	16
Gender diversity at other management levels	%K	20	10	10	10	9	10
Governance							
Gender diversity in the Board of Directors	%K	40	0	0	0	0	0
Attendance at Board of Directors meetings	%	100	100	100	100	100	100

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 ISO 22000 audits carried out at our own sites via Euro Cater employees who do not normally work at the given 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 ISO 22000 audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We typically use auditors from DNV.

Elite smileys

Count of Danish sites with a valid elite smiley, awarded by the Danish Veterinary and Food Administration via third-party audits. The Danish Veterinary and Food Administration is phasing out elite smileys at the end of 2021.

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.

SUSTAINABLE PRODUCT RANGE

MSC/ASC-certified sites

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

MSC/ASC - Internal audits

Number of MSC/ASC audits carried out at our own sites via Euro Cater employees who do not normally work at the given sites, i.e. first-party audits. This is most often the environment and quality manager.

MSC/ASC - External audits

Number of MSC/ASC audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We typically use auditors from DNV.

KRAV-certified sites

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

KRAV - External audits

Number of KRAV 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.

Palm oil (own production)

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 (per calendar year).

Palm oil (off-the-shelf items)

The proportion by weight of palm oils sold (off-the-shelf products, not as ingredients) that are RSPO-certified is calculated.

Training procurement staff

Each site has its own purchasers, who are trained in our sustainability 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 sustainability and sometimes have sustainability as a sub-topic.

Training of sales staff

Each site has its own salespeople, who are trained in our sustainability 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 sustainability and sometimes have sustainability as a sub-topic.

Sustainable operations

CLIMATE

ISO 14001-certified sites

Count of sites that have a valid ISO 14001 certification.

ISO 14001 - Internal audits

Number of ISO 14001 audits carried out at our own sites via Euro Cater employees who do not normally work at the given 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 ISO 14001 audits carried out at our sites via people who do not work for Euro Cater, i.e. third-party audits. We typically use auditors from DNV.

Scope 1 carbon emissions (direct)

Total CO₂e emissions at Euro Cater from a) fuel for electricity, heat, cooling and steam, b) processes, c) fuel for own and leased means

of transport, and d) leakage of refrigerants, etc. Calculated in CO₂e (equivalents) according to the GHG Protocol and national calculations.

Scope 2 carbon emissions (indirect)

Total CO₂e emissions at Euro Cater from a) electricity, b) district heating, c) cooling and d) steam. Calculated in CO₂e (equivalents) according to the GHG Protocol and national calculations.

Scope 3 carbon emissions (suppliers and customers)

Total CO₂e emissions at Euro Cater from the supply chain and customer chain. Emissions from suppliers are divided into a) purchased goods and services, b) fixed assets, c) other fuel and energy, d) transport, e) waste, f) business travel, g) employee transport and h) leased assets. Emissions from customers are divided into a) transport, b) processing of products sold, c) use of products sold, d) disposal of products sold, e) leased assets, f) franchises and g) investments. Calculated in CO₂e (equivalents) according to the GHG Protocol and national calculations.

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. Company cars in Denmark are included, but account for an almost insignificant proportion.

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

Volume of waste (total)

The total volume in kilograms is measured for each site and consolidated for the entire group. The amount of waste is viewed in relation to the total revenue in DKK.

Volume of waste (fractions)

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 waste 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.

Food waste prevented

The quantity of goods (in kilograms) sold through the Danish webshop that are close to their expiry date is calculated. The quantity of such goods (in kilograms) sold via telesales in Denmark is also calculated. These two numbers are added together.

Sustainable workplace

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. This means that it has had a risk-based inspection, where the Danish Working Environment Authority has found that the company does not violate the working environment rules.

COMPETENCE DEVELOPMENT

Training of managers

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

CORPORATE GOVERNANCE

Women on the Board of Directors

The number of women sitting on the Board of Directors for Euro Cater Holding A/S is noted. This is then calculated as a proportion of all members of the Board of Directors elected by the general meeting.

Women in management

The proportion of women in the extended management team at Euro Cater is calculated. This group comprises the management teams at the various sites and department heads at the head offices in Denmark and Sweden.

Attendance at Board of Directors meetings

The average attendance rate at this year's Board of Directors meetings in Euro Cater.

COMPANY PROFILE

ORGANISATION

- | | |
|-----------------------|---|
| ▶ Company name | Euro Cater Holding A/S |
| ▶ Web address | Euro-cater.com |
| ▶ Head office | Vidalsvej 6, 9230 Svenstrup J, Danmark |
| ▶ Primary brands | AB Catering, BC Catering, inco, Cater Food, Cater Grønt, Dansk Cater, Svensk Cater, Nordsjöfisk |
| ▶ Ownership | Manny A/S owns 65%, and ICG EFV Luxembourg S.a.r.l. owns 35% of the group |
| ▶ Number of employees | 2.120 FTE |

REPORT

- | | |
|-----------------------|--|
| ▶ Reporting period | 1/10 2020 – 30/9 2021 |
| ▶ Reporting procedure | We have reported in accordance with sections 99a and 99b of the Danish Financial Statements Act as well as section 10 of the Annual Accounts Act (Årsredovisningslagen) (Sweden) |
| ▶ Companies covered | Covers all companies in the Euro Cater group. |

GOVERNANCE

- | | |
|---------------------------------|---|
| ▶ Contact person for the report | Henrik Ellegaard, CFO (he@euro-cater.com) |
|---------------------------------|---|



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