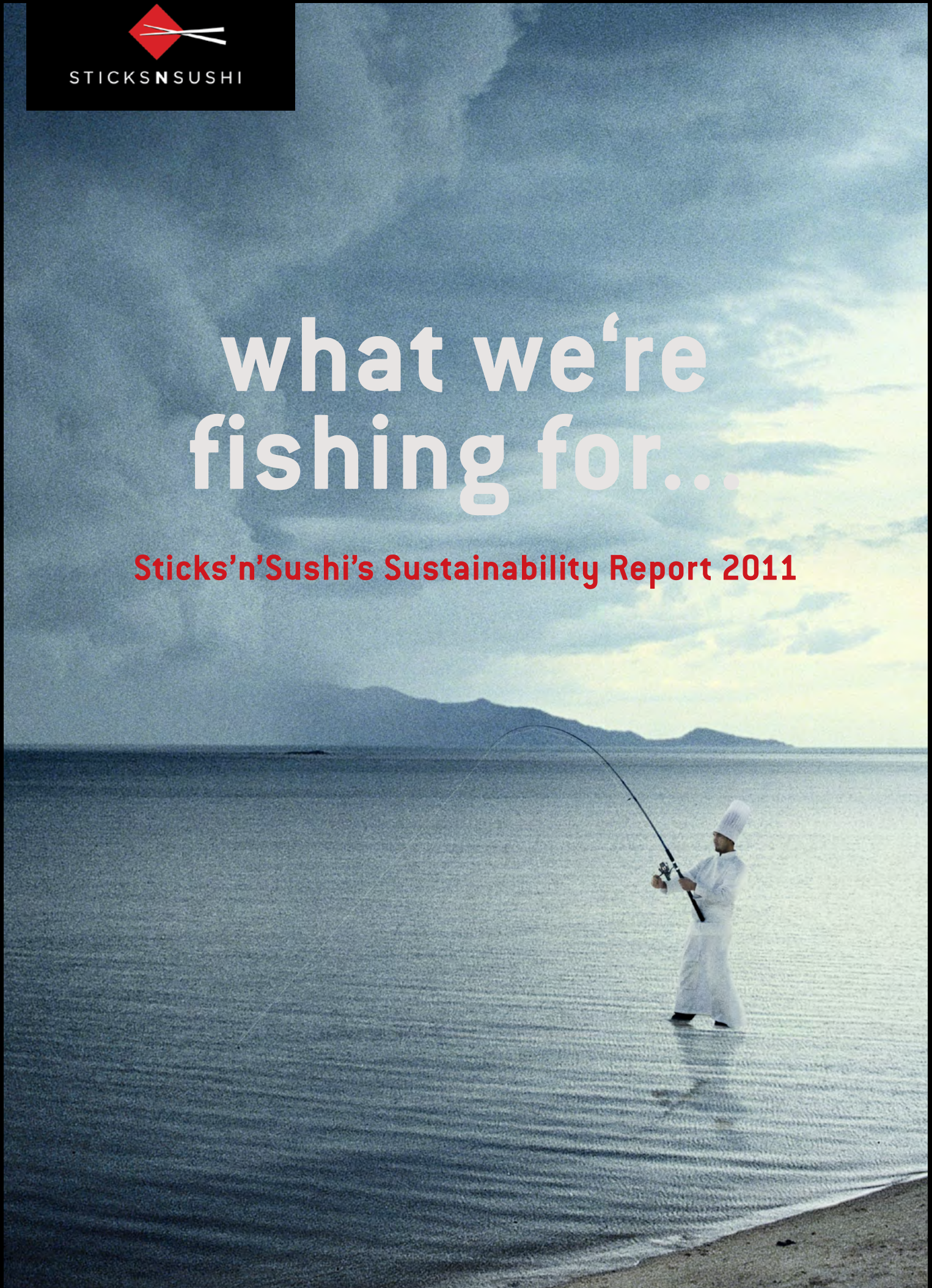




STICKS'N'SUSHI

what we're fishing for...

Sticks'n'Sushi's Sustainability Report 2011



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foreword by Kim Rahbek Hansen, CEO

Sticks'n'Sushi is a Danish sushi restaurant chain, operating nine restaurants in the larger Copenhagen area. We are therefore what you would call a medium sized company. And probably like many other medium sized companies, when we started our CRS programme three years ago, we were faced with a difficult decision: either we should spend the first many months measuring and weighing your entire operations, and note it all down in lengthy reports, like most of that time's literature on the subject suggested? Or we should get cracking and get our hands dirty, and then leave the measuring and reporting for a rainy day? The resources were simply not there to excel on both paths at once.

Reality, of course, was not quite so black and white. But no doubt, Sticks'n'Sushi's first three years of CSR work, have been down the last mentioned path. The information in the following pages will clearly reflect this.

That being said, we understand the importance and usefulness of having exact measurements and measuring systems for certain parts of our CSR efforts, why the near future will see an increase in the speed with which we will travel that path as well. And this is where we are convinced that the UN Global Compact, and the resources and network this initiative provide us, will be of great assistance to us. We are therefore highly committed to continuing our efforts to live up to Global Compact's ten principles.

Sticks'n'Sushi in numbers

We have nine restaurants	located in the greater Copenhagen area
We employee around 450 people	from 17 different nationalities
We have a annual turnover of approximately 30 million euro	of which 43% is take-away
We serve approximately 22.000 guests a week	equaling more than 1 million guests a year

Total CO2 emissions in 2009*

Source	Kg. CO2	Tonne CO2
Electricity	600.351	600
District heating	68.808	69
Gas	6643	6,6
Transportation	10.989	11
Total	686.791	687

* The numbers above solely cover scope 1. & 2. according to the GHG Protocol, i.e. the two scopes over which we ourselves have a direct influence. Therefore these numbers do not include the large and important emissions from the production and transportation of the products we import and sell in our restaurants.



example of a scope 3. emission:
our farmed salmon from Norway



Annually we import approximately 40 ton Norwegian farmed salmon. Looking exclusively at the average greenhouse gas footprint for farmed Norwegian salmon, our 40 ton would emit 80.000 kg. CO2e/pro anno. That is, one kg. farmed salmon emits two kg. CO2e. (source ??) In this calculation is not considered transportation from Norway to Denmark and the minimum 24 hours freezing at minimum -20 C. Added to our total scope 1 & 2 emissions, the emissions from our salmon would constitute 12% our total CO2 emissions.

What can we do to reduce these emissions, then? First of all, this numbers would have been even higher, if we had not already made a deal with our supplier, only to get the fillet of the fish to Denmark, and not the entire fish. Thereby, only that which is being used, is being brought to Denmark. Secondly, due to concerns over the risk of parasites, Danish law dictates that fish used for sushi, has to be frozen at minimum -20 C for at least 24 hours. In collaboration with other stakeholders, we are close to having succeeded in getting this law changed for our salmon, so that we no-longer have to freeze our Norwegian farmed salmon. Thereby, the energy intense, and thereby CO2 intense, freezing process, will be eradicated from the carbon footprint of our salmon.

This example, clearly shows, that a scope 3 calculation of our key products, is a highly relevant project for the future, if we wish to gain full overview and take serious action on our effect on the climate.



SUSHISTAINABLE

**“we have embarked on a mission
we will never complete...”**

SushiStainable

As a company with an everyday and direct contact with our guests, focusing exclusively on improving our own ways and those of our suppliers, will by no means fulfil our potential to make a difference. Instead we consider these two a necessary solid foundation. The key factor is that, every day we have the privilege of face-to-face interaction with our guests, which gives us a unique opportunity to share our experiences, communicate our opinions, inspire people and learn more about the society we belong to. We view this face-to-face interaction our greatest opportunity to contribute to creating a more sustainable present and future. That is the essence of our CSR programme, a programme we have named **SushiStainable**.

But we do not want to sound goody-goody. We want to be honest. And we know that we still have a long way to go, so we will take it one step at a time and work hard. That is why we like saying that with SushiStainable, we have embarked on a mission we will never complete.

our three-levelled strategy

Our CSR strategy consists of three levels, moving from our own house, over our suppliers, to our guests and society.

level 1

We review everything inside our own walls and execute tasks continuously that can make us become more sustainable.

level 2

We collaborate with our suppliers and also place demands on them, so that together we can ensure the services and products we receive meet our requirements.

level 3

We freely share our knowledge and experiences, hoping to influence colleagues, guests and our society as a whole.

It is important to emphasize that we continuously move back and forth between the three levels.

As such, we will never reach the end of our to-do list.

We are not satisfied being a good but silent example. We want to speak out and share our knowledge and experiences.

“we are not satisfied being a good but silent example...”



Climate Cup 10 award

Sticks'n'Sushi won the 2010 Climate Cup award for the best climate strategy.

The motivation from the panel of judges for awarding us as the winner was as follows:

“Sticks'n'Sushi has a convincing and binding climate and sustainability strategy, which engages all levels of the company. The strategy distinguishes itself by largely engaging the company's external stakeholders, as well as suppliers and restaurant guests, in the climate effort.”

level 1:

a few examples of actions within our own walls

At Sticks'n'Sushi, we consume more than one million kilowatt-hours of electricity annually. We try hard to reduce this consumption in the quickest and best way. That being said, we'll always need light, ventilation and cooling in our restaurants.



electricity

- In the summer of 2008, we committed to reduce our electricity consumption by 5% in our at that time six restaurants within three years, by entering into a so-called "curve breaker agreement" with Elsparefonden (the Danish electricity-saving trust). In our latest update from Elsparefonden from June 2010, we got the flowing information: "Our chart shows that on average you have reduced your electricity consumption in the first quarter of 2010 by 7,8%, according to the same quarter last year." Sadly, due to political decision, this service no-longer exists, and we will not get the same update for 2011.

- We have shifted our remaining consumption to the best electricity product on the market, called "Ren Energi Plus" (Clean Energy Plus), from the energy supplier Natur-Energi A/S. "Ren Energi Plus" is the electricity product recommended by the World Wildlife Fund (WWF) as well as the Copenhagen municipality. For each kilowatt-hour we pay an extra price to our energy supplier, who then invests this money in expanding the renewable energy capacity in Denmark, and thereby the percentage of renewable energy in the electricity net.

water & heating

- We have installed water-saving devices in our faucets wherever possible, thereby reducing our water consumption with up to 50%.
- We have added sun film to the sunniest windows in our restaurants thereby reducing the need for air-conditioning.



garbage

- We have looked back in time and reintroduced the organic garbage bucket in our restaurants. But instead of being used for pig's feed, it is taken to a biogas plant, which transforms the organic garbage into biogas.
- From May 2009 to May 2010, we have sorted 66 tons of organic garbage, which would be enough energy to transport a fully loaded bus once around the world – without having to re-fuel.
- Our frying oil is delivered to a small company, which purifies the oil and utilizes most of it for biodiesel. The remaining small amount, which is unfit for biodiesel production, is used in the production of candles or makeup.



food & beverages – a few examples

- We have reduced the amount of beef on our menu. Cattle farming are a significant source of greenhouse gas emissions; therefore, as a first step, we omitted beef sushi (beef nigiri) from our new menu.
- We have increased the amount of vegetarian dishes on our menu: all things considered, a meal comprised exclusively of vegetables is far better for the climate.
- We buy our coffee from a supplier who buys only the best of each coffee harvest and even pays farmers a premium for higher quality beans. Moreover, a system of long-term collaboration and mutual trust has proved even more profitable for the farmers than Fair Trade.

- Following the recommendations of marine biologists, we have removed eel from our menu because the species is under threat of extinction.

Printable matters

- We get our printable matters produced at a certified CO2-neutral printing house, which is also certified by the Danish environmental certification Svanemærket.
- Paper material is printed on guaranteed FSC certified paper.

Many more actions can be found at sushistianable.com

level 2:

examples of actions regarding suppliers and partners

We have suppliers all over the world. We evaluate every one of them as diligently as possible to ensure that we don't indirectly contribute to harming people, animals or the environment.

Many of our suppliers are located on other continents, which doesn't exactly make the job of evaluating their practices any easier. Still, we continue to work on it, and in the coming period, this is an area of our Sushistainable programme that will take up the main focus and get the highest priority.

transportation from our suppliers to us

As a first concrete step, we have looked at the transportation of goods from our suppliers in and outside of Denmark to our restaurants. That means that we have located routes and means of transportation for our products. We are mindful of environmental concerns when choosing routes and means of transportation for our products, and we highly favor transport of goods by ship and train as opposed to truck and plane.

fish policy

Besides our general code of conduct, which we use as a tool for our level 2 efforts in general, we have made a specific policy for our key product; our fish.

At Sticks'n'Sushi, we're doing everything we can to secure a rich and varied life in the seas around us. No stressed out salmon or endangered tuna is going on our menu card, but we realise that we're not quite docked yet. We have taken note and written down what our fishing policy is all about, so that our guests can judge if we've got a bite.



our responsible fish policy is made up of 10 promises...

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For far too many years, large-scale fishing has been practiced with a one-sided mind set, focusing on profit without due consideration for future generations. Naturally, this has affected the fish populations and is now endangering more species than ever - a situation that Sticks'n'Sushi is striving to help turn around. As such, we've made 10 promises in order to secure a flourishing ecosystem of animal and plant life in our oceans. The goal is to fulfill all 10 promises before 2012 expires.

Science is constantly doing its best to understand the delicate balance of the sea, and we're tagging along the best we can. The 10 fish promise are based on the best obtainable knowledge of the situation in the Seven Seas - and we'll stand by every last letter - but just like the march of progress, the promises are not set in stone, and all are subject to revision as breakthroughs are made both scientifically and as a result of our own investigations.

Many of the promises have already been honoured, and our guests can literally take our word for it by checking out our website to see the ten promises and what we are doing to fulfill them.

level 3:

examples of actions towards our local and global community

The farmers in Cambodia increasingly suffer the consequences of global warming, such as drought, making it ever more difficult to secure the harvest. With “Råd til Ris” (funds for rice), in December 2009, we and our guests raised money for education, buildings, and rice banks in central Cambodia.



Råd til Ris (funds for rice)

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In all its simplicity the philosophy was help to self help. Together with our guests we gave a helping hand to the inhabitants in need in villages in Cambodia that they can get on the path to sustainable development, and no longer risk going to bed on an empty stomach.

In specific our guests could add 20 Dkr or more to the price on their meal. Every time a guest donated 20 Dkr or more, we doubled the amount. The money went via Danish Church Aid to their local partner in Cambodia.

“Råd til Ris” turned out to be a big success, and when it ended, our guests had managed to collect 84.780 Dkr, which, with Sticks’n’Sushi’s contribution and the donation made to the collection cans placed in our restaurants, the total amount reached 176.735 Dkr for the Cambodian rice banks.



fisk i Malawi (fish in Malawi)

Malawi is one of the poorest countries in the world. But recently the country has entered a positive development. Democracy has set its roots together with economic progress.

But for people living in the part of the country not nourished by the important Lake Malawi, living conditions are still very poor.

In December 2010 we collected money together with our guests, to the establishment of fish ponds in this part of Malawi.

Again the project was organized in collaboration with Danish Church Aid. The idea was not just to give a fish for the next meal, but to give a fishing pole for the future. Like Råd til Ris, the year before, every time our guests donated 20 Dkr we did the same. This time we managed to collect 150.752 Dkr for fish ponds in Malawi.

making the global local

With “Råd til Ris” and “Fisk i Malawi” we tried to put faces on some of the people out in the world that benefit from us acting responsible back in Denmark. Thereby we hope to make the connection between our actions in Denmark and the consequences out in the world very tangible. In other words, we wanted to make the global local.

our challenges & dilemmas



Here we have described three of the central dilemmas we as a restaurant business face in our responsibility efforts, and where we believe we have a responsibility to act.

CO2 neutrality

To deserve the designation as a CO2-neutral company, one cannot only have an eye for the emissions within one's own four walls, we believe, but also those of one's suppliers and consumers. Therefore, we believe that achieving CO2-neutrality through the purchase of quotas for one's electricity consumption is too good to be true.

ecology

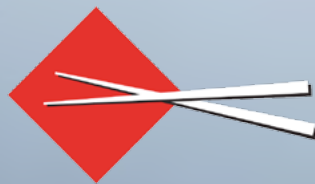
Ecology is not necessarily the most climate-friendly choice. So there goes the easy solution. On one hand, one might prioritise organic and gentle farming practices. But on the other hand, one might also find it worth prioritising the climate challenges caused by transportation. What to do? There is no easy solution.

food scarcity

Experts anticipate that by 2050, we will be almost 9 billion people on earth. That is almost 3 billion more mouths to feed than today. And the possibilities for increase in farmland availability are very few. From where then will all the food come, at a price affordable to us all?

- We can begin by using the available farmland to grow food. That way, we grow food for humans and not for cars.
- Why feed our cows valuable corn when their stomach is designed to eat grass, something we humans do not eat?
- We can avoid food waste. Today, more than one third of all the food we produce ends up as waste.
- And finally, we can eat a bit more of the green stuff. And we can limit ourselves to one steak a week, and instead eat fish, chicken and pork.

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