

The Sustainable Partnership

Corporate Social Responsibility Report **2011**



uhrenholt

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Uhrenholt CSR Report 2011

Welcome to the Uhrenholt CSR report 2011. The purpose of this report is to provide our partners and stakeholders with a picture of our Corporate Social Responsibility activities during 2011. We wish that the examples from each of our focus areas will provide the reader with an understanding of how we have integrated CSR into our daily work. The report is structured around our six focus areas; Partnership Development, Human rights, Employees, Labour, Environment and Business Ethics.

Uhrenholt has entered the United Nations Global Compact. This report is the first communication concerning our implementation of the ten principles of United Nations Global Compact into our CSR work.

The CSR report 2011 also serves as our first annual communication on progress as required by the United Nations Global Compact.

April 2012



Global Compact

Global Compact is the world's largest corporate responsibility initiative with over 8,000 business and non-business participants in 135 countries. As a member we are committed to bring improvements in the areas of human rights, labour, environment and anti-corruption. For more information visit: www.unglobalcompact.org

Message from the CEO

In 2011 Uhrenholt joined the United Nations Global Compact. This marks a big step forward for our CSR efforts as we now have a firm framework and a clear set of guidelines on which to build our future initiatives.

Joining the Global Compact is not only a strong commitment to our various external stakeholders, but just as much an internal musketeer oath between our employees that from here on the Uhrenholt CSR agenda has to be even more ambitious and an even more integrated part of our daily business.

Especially within the world of food production ambitious CSR thinking is increasingly important. With a fast growing world population and a rapid increase in average income and living standards in the world's emerging economies, feeding the global population will become a huge challenge of the future.

The most important prerequisite for meeting this challenge is to show the necessary respect for our environment and our natural resources. If we deplete our oceans, pollute coastal areas which could be used for seafood farming or if crop harvests are destroyed by climate change, the future of food supply seems very difficult.

Our CSR efforts are strongly supported by management but fully driven by our employees through the internal CSR group. It is important to us that CSR is integrated into our daily life and driven by passion and real commitment. We need to find the areas of CSR which best matches our culture and business so all our employees across the world have an opportunity to feel real motivation and inspiration by our combined efforts.

While we follow the guidelines of the Global Compact we will use the coming time to find our CSR core and try to develop our strategies in that direction. The next step will be to continue the dialogue with our many business partners as we cannot produce significant results alone.

I look very much forward to following the development and commitment of the Uhrenholt CSR group in the future and I am convinced that our expanded CSR agenda will motivate more of our employees to participate during 2012.



A blue ink handwritten signature of Sune Uhrenholt.

Sune Uhrenholt
CEO

About Uhrenholt

Uhrenholt is a global food company owned by the Uhrenholt family. The Uhrenholt product portfolio covers dairy, seafood, meat and vegetables. Products are sold in more than 80 countries around the world as branded products under the brand names; Emborg™, Friendship™ and Amigo™ and as commodities and industrial sales handled by our Uhrenholt Global Trading division.



Uhrenholt in Brief

The company was founded in 1978 by Frank Uhrenholt. The main business was international trading in cheese for wholesales and the industry. In 2007 Sune Uhrenholt took over the role as CEO and has undertaken a re-structuring of the company to include sales to the retail channel and focus on branded products.

Founded:	1978 by Frank Uhrenholt
Number of employees:	663
Ownership:	Uhrenholt A/S is a 100% family owned business
CEO:	Sune Uhrenholt
Location Denmark:	Head office in Middelfart
Location worldwide:	Offices and representatives in more than 20 countries



Uhrenholt Global Organisation

Today Uhrenholt employs more than 650 dedicated people in four regions: Russia & CIS, Middle East & Africa, South East Asia and Oceania, Europe and beside a Global Trading Division focusing on commodities and industrial sales.

All regions are supported by the expert corporate functions; Marketing, Legal and Risk Management, HR, Finance and IT to secure that we deliver the highest quality and standards and meet the diversity demands worldwide.

Moreover the Supply Chain group including Logistics and Transportation, QA, Procurement and Product Management is responsible for securing the products way through the value chain to the customer and consumer.

The commercial organisation is responsible for sales in the regions and divisions as mentioned above. The regions are apart from the geographical differences also different in terms of business focus. Unique for the region Russia & CIS is the large distribution setup in Moscow. Here Uhrenholt distribute own products and external brands to the retail- and foodservice channel.

Organisation of the Uhrenholt Group



Business Areas and Product Portfolio

Uhrenholt has a long tradition and experience within sales of food products to B2B and B2C. Reliability, tailor-made service and the ability to spot and seize opportunities together with our partners has made Uhrenholt a preferred business partner for many years.

Our partners benefit from the Uhrenholt extensive global network of selected suppliers. This enables us to offer unique tailored food solutions across the entire portfolio.



Dairy

We supply a wide range of cheeses sourced from all over the world and aim to source the cheeses from where the cheese has its origin. At our Grøndal Dairy we produce cheeses like Fontina and Havarti.

The Uhrenholt Trading division deliver flexible solutions in terms of variety of product composition, origin and packaging for milk powder and cheeses.



Seafood

Uhrenholt is one of the leading suppliers of coldwater and warm water shrimps. We have an extensive know how in international sourcing, production, processing and product functionalities.

Uhrenholt was the first shrimp supplier in the world who was certified to use the Euro Leaf logo on organic shrimps.



Meat & Vegetables

The vegetable range is sold to B2B and B2C. The Emborg vegetable range has been awarded SuperBrand several times in e.g. U.A.E.

Uhrenholt Meat is a subsidiary to Uhrenholt A/S and handles the groups' trading in meat products.

Find more information about Uhrenholt at: [uhrenholt.com](https://www.uhrenholt.com)





The Uhrenholt Partnership Philosophy

Uhrenholt is a partnership driven corporation. We believe in close partnerships and networks. The Uhrenholt way of working is to demonstrate an entrepreneurial approach to the development and innovation of food solutions.

We have for 34 years made valuable connections and relations around the world.


This is how we can be a part of the optimization of very strong and diverse food solutions, for a global audience. We consider this knowledge-based partnership as the core of our business engine.

Our Business and UN Global Compact

We offer value chain optimizing services for the food industry - from sourcing, distribution to sales, tailored to our business partners need. Our entrepreneurial approach, deep insight and broad knowledge makes it possible for us to create value for our business and for our partners by finding and dealing with the links in the value chain which needs special attention.

Through close cooperation with our partners we are well prepared to meet the increasing demand and continuously pressure from the world around us to deliver higher food safety, deeper traceability and information flow, sustainability etc. Every day this challenges the way we are working and how we understand doing business and we continuously look for improvements.

By entering the United Nations Global Compact we commit to integrate and promote the ten principles into the value chain and into the Uhrenholt way of working.



Invitation to responsible partnership!

The philosophy is to use our global network to learn from and influence all partners involved. The ambition is to innovate sustainable products with the highest food safety standards. We will be the link between producers, customers/end-users, organisations/NGOs and government. We will build bridges between our different projects around the world making sure that we bring out the best practice to all corners of the world. We need you to join and challenge us!

This is an open invitation for existing and new partners to establish projects with focus on following

- 1) Committed to work towards the highest food safety programs (BRC, IFSIS, ISO22000).
- 2) Committed to work towards certified sustainability (Organic, MSC, Global G.A.P. etc.)
- 3) Committed to respect and improve the Uhrenholt newly joined Global Compact principles of human rights, labour, environment and anti-corruption.
- 4) Committed to develop the local sourcing or selling area.
- 5) Connected to our exiting business and strategy work as follows
 - Sourcing of wild caught seafood products from North-Atlantic Ocean and Pacific Ocean: MSC approved
 - Sourcing of farmed seafood products from South America and Asia: Organic, Global G.A.P. or BAP approved
 - Sourcing of dairy products from Europe, Oceania: Organic approved
 - Sales to Russia, Africa, Asia: highest food safety standards and unbroken cold chain
 - Sales to Europe and North America: Innovative dairy and seafood products, organic, sustainable, best practice and ethics right

Projects that Made a Difference in 2011

During 2011 we have continued our focus on best practice and knowledge sharing internally and externally. This work we would like to intensify in 2012 and the years ahead. Some of the initiatives already done are of great impact on our partners and us - others are just "small steps" in the right directions. Whether big or small the changes are essential for ones involved and the everyday and working life for people around the world.



Asia

Indonesia – partnership on organic shrimp production

2011 has been the year where we brought organic warm water shrimps to the market and worked on increased distribution. In addition to being organic the shrimps are 100% naturally cultivated and bio-certified by the EU. The shrimps are not treated with any form of antibiotics or metabisulfite which is normally used for shrimp production. Uhrenholt has carefully selected farmers who meet these requirements. The added-value for the farmers is that they earn a higher price for the product thus ensuring their marketability in the long term.

The main task this year has been to promote this unique product. We have brought articles in industrial magazines and made specific promotions on trade fairs during the year. This has been a huge investment. Next step is to increase sales through even closer cooperation with our suppliers.

Africa

Joined business planning, investment in the market and NPD

We have accomplished an exclusive partnership with Unifrost on bringing frozen vegetables to market in Africa. Unifrost supports with investments in product development, securing stable prices, art work and where needed new production technology and we support with investment in the distribution chain securing the unbroken cold chain. The partnership agreement has given very attractive terms for both parties. The project will increase the access to a greater variety of food for the African population.

Part of the project has been a close cooperation with a local partner in Uganda on investment in a cold store. The project has been financially supported by Danida because the project supports local development and competency development / employment of local inhabitants. The plan is to develop the distribution further and to involve/increase distribution of local products. An important gain is the increase of food safety that is connected with an unbroken cold chain.





North-America

Sustainable shrimp (MSC certified) project

During 2011 we have worked closely with our partners in Canada and USA to market sustainable shrimps into the European Industrial segment and the retail segment. Several supermarkets already demand MSC certified shrimps, others need more knowledge to bring them to the market. The challenge is that most consumers have no knowledge about sustainable shrimp production thus our project focus on increasing the knowledge of this product within the population.

Next step is to brand even more products with MSC and bring them into the stores. MSC (Marine Stewardship Council) is an independent labeling program for environmentally friendly and sustainable fishery. MSC was established through collaboration between Unilever and WWF in 1997. In 1999 MSC became an independent organisation. MSC rewards sustainable fisheries by allowing them to print the characteristic "blue MSC logo" on the product.



Russia

Modern cold chain facility followed by partnership with one of the leading restaurant chains in Russia

In the beginning of 2011 we introduced our brand new "state of the art" cold chain facilities in Russia together with multi temperature trucks. Thereby we established a logistic standard placing us far ahead of the legal requirements and anything available today. The unbroken cold chain significantly improved the food safety.

At the end of 2011 Uhrenholt Russia started a new project with one of the leading restaurant chains in Russia. This restaurant chain has 5 concepts within 25 restaurants. The partnership is based on a high level service approach which is consolidation of 75 suppliers delivering 200 SKU's to the customer by one single service provider – Uhrenholt. Our new infrastructure also gave us opportunity to develop cooperation with core players of Ho-Re-Ca and the retail market.

Consolidation of suppliers brought us from all 75 suppliers delivered by them selves a total of 24 deliveries per week to 3 deliveries per week delivered by our force.

Now we are working together on an "open book" system to make our business more transparent and clear for both sides. We are planning to go live with the full scale integration system in the 3rd quarter of 2012. The open book system will besides making us a preferred partner prevent corruption issue. The whole project has in addition developed the general skills and given attention from our local employees to optimization and understanding of environmental impact.

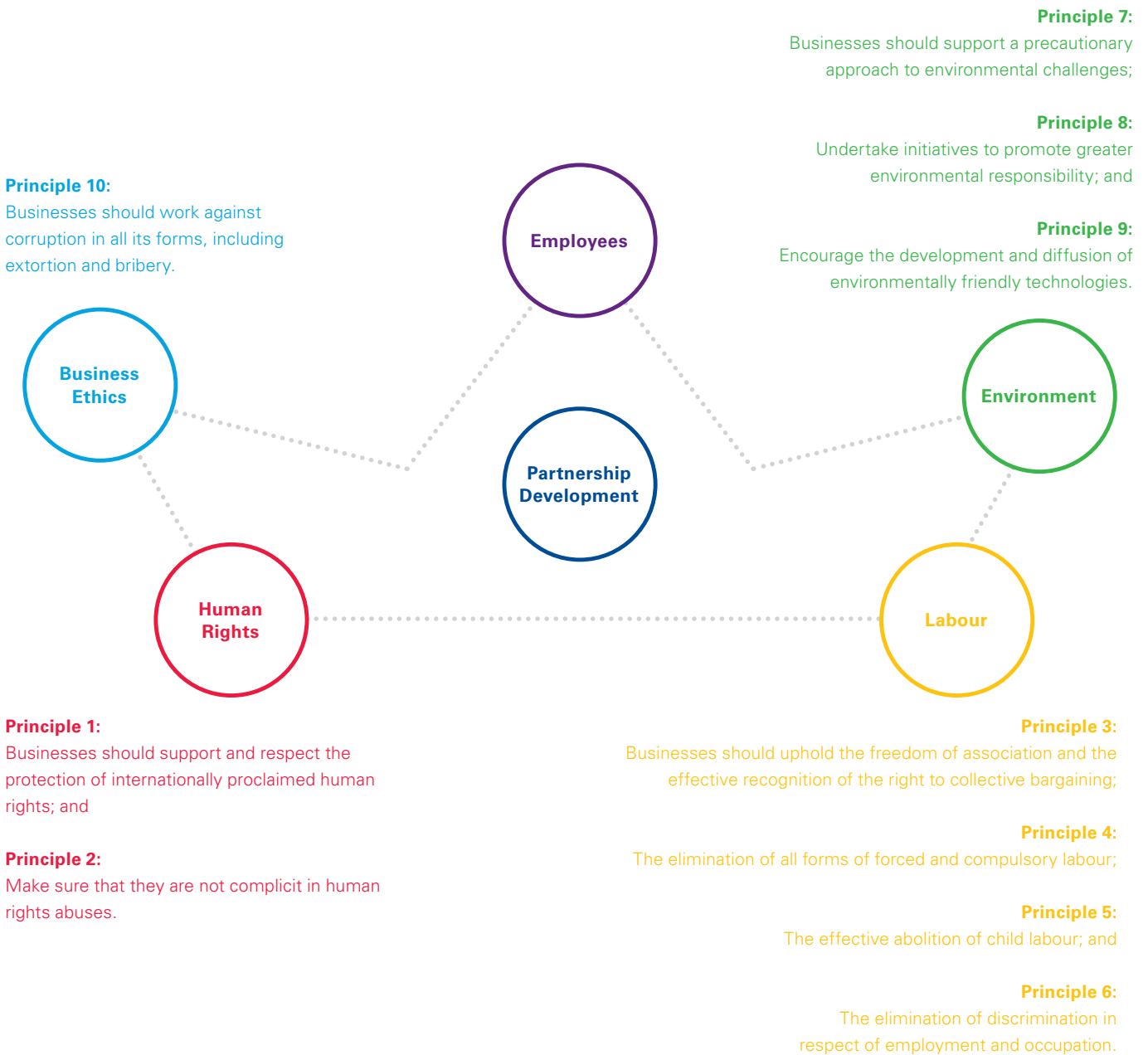
Consolidation of suppliers and savings:

	Week	Month	Year
Deliveries / Trucks without consolidation	24	96	1152
Deliveries / Trucks with consolidation	3	12	144
	Week	Month	Year
Paper pcs. without consolidation	2600	10.400	124.800
Paper pcs. with consolidation	400	1600	19.200



CSR Focus Areas

We have structured our CSR work around six focus areas. These areas are most relevant to our business and we focus our efforts here. The ten principles of Global Compact complement our work and activities and as a member of Global Compact we describe our progress and efforts in these areas.



Progress 2011

We have during 2011 worked to meet the targets we sat out in 2010. The table below is an overview of the activities and results. Further results can be found in each section of the report.

Focus Area	Goal	Results 2011	
Sustainable Production			
Organic Certification	Obtain organic certification of Uhrenholt A/S to handle organic products through the entire value chain	●	Uhrenholt received the certification to handle organic products in October 2011
Organic Dairy Production	Obtain certification of organic production at the Grøndal Dairy in 2012-2013	● ●	This project will continue during 2012 The storage facility at Skodborg has obtained the Organic certification
Organic Shrimp Production	Expansion of organic shrimp production	●	An expansion of the production has not been possible in 2011 Further expansion of the organic shrimp production in 2012 is being investigated
Supplier Management and Certification			
AEO Certification	Obtain certification of Uhrenholt A/S as an Authorised Economic Operator	●	The project continues as planned. We expect the final certification during 2012
Approval of Suppliers	Continued implementation of Uhrenholt supplier code of conduct	●	The project continues as planned and we have during 2011: 1) added 46 additional suppliers that comply with our code of conduct 2) secured that 70% of our main suppliers comply with our code of conduct
Uhrenholt Products			
MSC-Certified Products	Expand sales of MSC certified seafood products	●	2011 was a consolidation year on MSC certified seafood. Nevertheless the awareness and demand from our customers increased. We believe that MSC branded products will take off in 2012-2013.
Assortment optimization	Reduction of stock keeping items and packaging consumption	●	The project will continue in 2012 as analysis show that further optimization is possible
Employees			
Introduction Program	Implementation of a mandatory introduction program for all employees	●	Delayed but will be implemented during Q1 2012
Code of Conduct	Implementation of code of conduct for all employees globally	●	Will be implemented during Q3 2012
Uhrenholt House Manual	Implementation of a global manual covering the company's principles and rules	●	Implemented during Q2 2011
Global Intranet	Launch an intranet solution for all employees to strengthen global communication and sense of one team	●	Launched during Q2 2011





Human Rights

As an independent company we partner with many suppliers and production facilities around the world. We will always seek to make the products from any origin available to our customers and consumers around the world. This is our strength and passion.

We operate in many different countries with diverse background and views on human rights. Naturally, we feel our responsibility in this matter.

We need to maintain our long term relations and regardless of the country respect and improve human rights.

Supplier Partnerships

The work with human rights at our producers is increasingly important. We began the formal process back in 2009 by adding demands on human rights to our Uhrenholt Supplier Approval system. It is our ambition that all suppliers accept these conditions.

We have a responsibility to ensure respect for human rights in our operations world-wide. We will during 2012 strengthen our effort in this area and further stress the importance and demands regarding human rights with our suppliers. Uhrenholt will not accept any forms of child labor, forced labor or other violations of fundamental human rights. Uhrenholt suppliers and partners must prospectively vouch for that products are not the result of child labor or forced labor conducted in violation of international conventions.

We will in 2012 conduct a detailed risk analysis and an action plan outlining activities and future work with our suppliers. See further details in the section about labour.

No Discrimination

As part of an international group we actively contribute to ensuring that discrimination and harassment of any kind, whether due to ethnic origin, nationality, religion, gender, sexual orientation, age, disability or political affiliation does not occur.

We have chosen harassment as a focus area in 2012. In some countries – like Sweden – there is already made a very structured and formal way of handling harassment issues. It is our goal for 2012 to spread out this best practice to a global procedure for handling harassment. Naturally, our employees' well-being is very important and motivated and dedicated employees have been and still are the key to the success of Uhrenholt.



*It is our goal for 2012
to spread out this best
practice to a global
procedure for handling
harassment*



Employees

Uhrenholt has more than 650 employees in more than 20 countries around the world. We focus on continually to develop the organization and improve the work environment. It is our goal to create an environment where we are inspired to perform our very best as a global team.

Despite the size of the organisation we represent 24 different nationalities

Diversity

Diversity has always been an important trade mark of Uhrenholt. We want our employees to reflect the variety of society in general with regards to culture background and way of thinking. We have a strong focus on diversity in respect of culture and gender in order to strengthen our organisation. Despite our size we represent 24 different nationalities. The mix of gender is also reflected in the organisation with 45% female employees.

Diversity is important to our business and it enables us to better understand our partners, customers and consumers in the different parts of the world where we operate. Diversity is also a responsibility to ensure a positive culture and create a common understanding that diversity is strength and creates more opportunities.

Attracting and Integrating New Employees

For Uhrenholt it is very important to attract qualified applicants for vacancies, select the right people for the job and integrate them into the Uhrenholt culture. Our employees are our main asset!

During 2011 we have welcomed many new employees at Uhrenholt. Integrating new employees into the organization has consequently been one of the focus areas in 2011. We have worked to improve our introduction course and have developed a common global process that will be implemented throughout the company.

We are finalizing a new global recruitment process to ensure that the process is handled in the same way in our different divisions and regions to ensure the right people are selected. At the same time we ensure that no discrimination takes place in our selection and recruitment process.

Employee Satisfaction

We need passionate people to run our business. Therefore we want to measure and follow up on our employee wellbeing and satisfaction.

Sick leave is one of the benchmarks. Together with our internal employment satisfaction survey which is made as a part of our performance appraisal, we continuously track and identify areas to improve. During 2012 we roll out a global performance appraisal in a unified system. In 2013 the global performance appraisal will be implemented.



Selected Employee Data

Focus Area	Results 2011
Employees	
Number of employees	663
Female/male	45% / 55%
Average age	37,6 years
Average seniority in the company*)	6,2 year
Health	
Sick leave	2,6%
Organisation Development	
Number of promotions (next level promotion)	22
Female / male managers	41% / 59%
Female / male directors and above	25% / 75%
Investment in education and training	Euro 165 per employee
Diversity	
Number of nationalities	24

*) excl. Uhrenholt Russia

International Offices

Uhrenholt Dubai, U.A.E

UAE is a nation represented by more than 100 nationalities, so people and organisations are used to work in international environment across borders.

At the Uhrenholt Dubai office it is no different. Uhrenholt is represented by six nationalities: 'Indian', 'Romanian', 'Russian', 'Belarussian', 'Jordanian' and 'Danish'.

It gives a number of advantages to have colleagues from both the Arab, Indian and Eastern European community, blended together. All colleagues, in the daily operation, represent the same nationality – UAE, whilst knowing and utilizing details from home cultures.

Labour

Uhrenholt buys a wide range of products from suppliers all over the world. Our ambition is that all our suppliers must sign and follow our behavioral code of conduct in order to guarantee that all our products is produced in a factory where all the employees as a minimum have all the basic rights concerning freedom of association, no forced and compulsory labour, abolition of child labour and elimination of discrimination in respect of employment and occupation.

Supplier Management

Uhrenholt requires that all suppliers maintain a constant focus on food safety and our behavioral code of conduct. This is how we can guarantee that Uhrenholt's products are produced by companies in which working environment, quality control and food safety of the products can be documented throughout the production process. As an important part of supplier approval, a risk assessment is conducted for all new suppliers in relation to factors including country of production, brand, product type, labour, and the supplier's quality certifications (BRC, IFS, ISO 22000, ISO 9001 etc.) according to which suppliers must document their food safety systems. Suppliers must also complete the Uhrenholt's supplier approval survey.

- Social rights.
- Human rights.
- Minimum wages.
- Workplace safety.

The survey includes questions and requires documentation about supplier issues including:

- Quality management and food safety system as well as documentation in the form of HACCP plan, flowchart, etc.
- The supplier's control measures in relation to ingredients, finished products, production control, supplier approval, etc.
- Control of contaminants and foreign objects (metal, glass, etc.).
- Allergens and GMO.
- Traceability.
- Cleaning and disinfection.
- General hygiene and training.
- Control.
- Environment.
- Social rights.
- Human rights.
- Minimum wages.
- Workplace safety.

If the supplier cannot immediately be accepted by Uhrenholt, we inform and provide guidance to the supplier to change the unacceptable issues within a given timeframe. Throughout the process Uhrenholt has an ongoing dialogue with the supplier. The suppliers that meet Uhrenholt's requirements are certified as approved suppliers.

We expect our suppliers, as a minimum, to follow the environmental legislation in their country.

In addition to that, we have entered into cooperation with some of our suppliers on organic production and we have updated our supplier code of conduct, requiring our suppliers to commit to environmental awareness (water, water usage, energy and air pollution).

2012

In August 2012 we start up an improvement project on supplier approval. One of the purposes with the project is to define which additional CSR requirements we want our suppliers to fulfill and how we will assure this. The goal is to make a better documented risk analysis based on our products and producers worldwide in order to get even better products and live our partnership philosophy in helping our producers both socially, ethically and on the environmental area. The goal is to make a strategy for the future work with our suppliers and to be able to measure the results.



Work Safety Prize for Grøndal Dairy

The Grøndal Dairy is located in the southern part of the Danish island of Funen and is the only production site which is 100% owned by Uhrenholt. The dairy produces about 4,000 tons of cheese annually. The dairy produces award-winning specialty cheeses but is also used as Uhrenholt's test centre. Here we test methods for later implementation by our partners globally.

The Dairy was in 2011 awarded the prize for work safety 2011 by the Danish Health Council. The prize was given for our effort in improving the ergonomic challenges that exist in the dairy industry – especially at smaller dairies. Grøndal was used as the test dairy in the network of 19 smaller dairies in Denmark and qualified new methods that now can be reapplied at other dairies.

Labour

Improving Working Conditions

During the last years we have worked on improving the working conditions in several locations. It is important that employees have secure and adequate jobs according to national safety standards, including adequate ventilation and lighting, adequate working temperature, alcohol and smoking policy etc. In Russia and UK we have invested in new and modern warehouses with modern office facilities. This has made a major improvement in the daily life of the employees both health and safety wise. Uhrenholt expects and emphasizes that our suppliers have similar policies in order to give their employees secure jobs.

Selected Results

Focus Area	Results 2011
Supplier Management	
Number of new suppliers that have read and accepted our demands.	46
Percent of main suppliers that have accepted and complied with our Code of Conduct.	70%

International Offices

Uhrenholt Moscow, Russia

Uhrenholt Russia combines two companies; Uhrenholt and Uhrenholt Logistics. In total there are about 370 employees. Uhrenholt is the commercial part of the Russian organisation focusing on offering food service to customers while Uhrenholt Logistics provides supply chain services to Uhrenholt and third parties.

In the course of the last three years considerable changes occurred both in the organisation structure, quality and volume of the services provided as well as working conditions. The commercial part of the company moved to new business premises at 1,400 sq meters – a newly constructed Business Center – and the logistics part relocated to warehouse premises 11,000 sq meters. This is 3 times more than the company has had before.

The warehouse premises are unique for the region. The facility is a combination of 3 types of zones under one roof: dry, cooler and freezer. The warehouse is equipped with an advanced WMS (Warehouse Management System) that allows running operations in the most effective way.

Environment

At Uhrenholt we want to minimize our impact on the environment! Environmental responsibility is a moral obligation for any commercial business. Protection of our nature including biological diversity on earth is an important issue when reviewing different business areas.

Uhrenholt follows the environmental legislation in the countries we are placed, but acknowledge that our responsibility includes our business in other countries and an effort for further improvement.

Our company structure leads to different areas on which we can influence the environment. These include our own dairy Grøndal, our offices around the world and our cooperation with food producers and suppliers worldwide.



Our Dairy Grøndal in Denmark

Grøndal has an established environment strategy with specific goals. There is a high focus on reducing CO₂, electricity and water consumption. Furthermore a focus on minimising packing material, waste and to work towards more climate-friendly cleaning agents. Starting in 2010 and until 2020 the dairy has set the following climate goals:

- Reduce our CO₂ emissions by 20%
- Reduce our water consumption by 2% per year
- Focus on minimising packaging
- Focus on minimising our waste
- Focus on climate-friendly products



Reducing Our CO2 Emissions by 20%

In collaboration with the energy consultant firm, Enervision A/S, and Faaborg Forsyningsvirksomheder A/S, we have prepared a report outlining measures that can reduce our CO2 emissions. The report forms part of the decision making basis for the future investments at Grøndal Dairy.

During 2011 there has been a high focus on streamlining the producing flow, organising the production in the best practical and smartest way, project groups have been formed to develop and propose solutions for reducing our energy particular on our steam boiler, which are using natural gas as power. Furthermore have more energy saving equipments been installed.

The above mentioned actions have resulted in a decrease per kg produced cheese of 10% natural gas and a decrease in the electric power of 16% per kg of produced cheese, which is equal to a reduction in the CO2 emission of 4,2% per kg produced cheese.

Reduce of Water Consumption by 2% per Year

During 2010, the total water consumption at Grøndal Dairy was recorded. This recording has continued in 2011. The appointed project groups meet on a regular basis where they via the Lean model tools analyse the consumption of water on Grøndal Dairy and proposes solutions for reducing the water. It is the management's duty to ensure that the agreed water conservation proposals are implemented and followed up. It is important that a positive culture regarding water conservation becomes rooted in the company.

Grøndal Dairy reduced its water consumption per kg produced cheese by 3,6% in 2011.

Focus on Minimising Packing Material

During 2011 the total consumption of packing material has been recorded. Our packaging suppliers have been invited to present new packing materials which have a lower environmental impact and use more reusable material. For the moment a new carton with 5 – 10% less material, but with an improved construction so the strength is resumed, is tested at the dairy – so far it looks positive, but further test is still needed.

Focus on Waste Minimisation

Grøndal Dairy has a high focus on minimising the waste as much as possible. All the suppliers of ingredients to the dairy are asked to use recyclable pallets, containers, packing material etc. Packing material which cannot be reused will be sorted from non-recyclable material.

Focus on Climate-friendly Cleaning Products

In collaboration with our suppliers of cleaning agents we must develop and use the most environmentally friendly cleaning agent without compromising product safety. For the moment a new more climate-friendly cleaning agent is a process of testing at the dairy.



Business Ethics

Being a family owned company, developed into a concern operating globally, Uhrenholt continuously deals with a range of ethical issues. We operate under at multitude of different cultural conditions that we have to handle and adapt to.

However, we insist that even though we are here to win, the way in which we run our company and conduct ourselves in the world is always more important than the prospect of profit. We act in accordance with applicable legislation and rules in the markets where we operate and we do not engage in transactions that are in conflict with internationally acknowledged ethical standards in relation to unethical practices or corruption.

Our Code of Conduct explicitly states:

- *Uhrenholt employees to not offer or receive bribes.*
- *Uhrenholt employees to not take part in unethical practice in respect of public authorities or institutions, administrative bodies or business connections.*

Code of Conduct

To ensure that all employees have the same interpretation of our moral and ethical values a set of common guidelines have been formulated in a "Code of Conduct". The majority of employees have already signed "Code of Conduct" and we are aiming for full signing within the coming year. It is our ambition to improve the general level of awareness of our business ethics even further.

Accordingly we care about which companies we cooperate with. Procedures to check new customers, suppliers and products are described and followed.

AEO Certification

Also in the future Uhrenholt will stand out as an innovative and trustworthy partner globally. In addition to run an ethical and commercially sound business, it is our ambition to apply for certification as Authorised Economic Operator in 2012.

The AEO certificate is given to companies that meets a number of criteria defined by the EU regarding customs compliance, appropriate record-keeping, financial solvency and security and safety standards. An AEO certified company has easier access to customs simplifications but even more important it represents a stamp of approval of being a trustworthy business partner.

Risk Management

A new risk reporting system is under development. The system will systematically provide the management with an overview of the character and gravity of the commercial and ethical issues surrounding the company.

Every employee is obliged to report to the board in cases of breach of these principles.

We strongly believe that maintaining a strict policy is the best protection of our employees in parts of the world where they as participants in the local business environment will see their business ethics challenged regularly.

To Uhrenholt it is important to maintain a professional leadership and corporate governance. We combine the strengths of the family's experience and knowhow with the expertise from two highly skilled external and independent members of the board of directors.

*Every employee is
obliged to report to the
board in cases of breach
of these principles.*



Ethics

In busi
moral concerns in
usually thought
without

Action Plan 2012

We will in 2012 continue activities focused around our six focus areas as well as a further implementation of the ten principles of United Nations Global Compact.

Focus Area	Activity 2012 and Goal	Timing/implementation
Employees		
Introduction Program	Implementation of a mandatory introduction program for all employees	Q1 2012
Global Recruitment Process	Development and implementation of a global recruitment process and principles	Q4 2012
Internal CSR campaign	Increase awareness of CSR work and engagement in partnerships	On-going information during the year as well as 1-2 bigger campaigns e.g. information about Global Compact membership
Human Rights		
Harassment Policy	Development and implementation of a global harassment policy	Q3 2012
Code of conduct	Continue expansion of the Code of Conduct for suppliers More than 25% of the Uhrenholt suppliers have signed the Uhrenholt Code of Conduct More than 90% of the main suppliers have signed the Uhrenholt code of conduct	Q2 - Q4 2012
Partnership Development		
Sustainable Production	<ul style="list-style-type: none"> • Expansion and awareness of certified sustainable wildcaught seafood – MSC Mapping our sourcing and sales • Expansion and awareness of certified sustainable farmed seafood – BAP, Global G.A.P. or ASC. Mapping our sourcing and sales • Organic shrimp production – green leaf. Mapping our sourcing and sales • Organic cheese – green leaf. Upstart of 1-2 organic cheese products 	Q2 - Q4 2012
Africa	<ul style="list-style-type: none"> • Accelerate business with local partner in Uganda and Danida. Continue to expand business through the cold storage facilities • Secure availability of Emborg frozen food products in Liberia and Ghana by developing a secure cold chain all way to the supermarkets 	Q2 - Q4 2012 Q2 - Q4 2012

Focus Area	Activity 2012 and Goal	Timing/implementation
Labour		
Supplier Management	<ul style="list-style-type: none"> • Continue expansion of the Code of Conduct for suppliers • Increase from 70% to 100% signed Code of Conduct with our main suppliers • By the end of 2012 more than 25% of the suppliers have signed the Code of Conduct 	Q4 2012
Environment		
Grøndal Dairy	Continue work against the 2020 environment goals and action plan <ul style="list-style-type: none"> • Reduce water consumption by 2% 2012 • Reduce CO2 emission by 2% in 2012 	Q4 2012
Business Ethics		
Code of conduct	Continue implementation of the Code of Conduct All employees have signed the Code of Conduct	Q4 2012
Risk Management	Implement New Risk Management system globally	Q4 2012
Food safety	ISO 22000 certification of Grøndal Dairy	Q2
AEO certification	Continue work towards final certification end 2012	Q1 2012
Governance	Minimum 2 external board members	Continuously



Inspiration and Support

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We welcome and look forward to all CSR work, all CSR input and all CSR ambassadors in 2012!

The CSR team are Per Poulsen (Global Trading), Lone Høgholt (Legal and Risk Management), Mette Mikkelsen (Group HR), Susanne Overby (Group Quality Assurance) and Jan Møller (Global Trading).



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