

**In good
hands
with
B&S**

UN Global Compact

Communication in Progress

B&S

Period: February 2015-February 2016

1.	Statement of continued support from the CEO	3
2.	Introduction and scope of COP	4
3.	B&S' strategy	5
	Strategy	7
4.	Context of operation and verification	9
	Corporate profile	9
	Mission	9
	Vision	9
	DNA 9	
	Corporate structure	9
	Financial highlights	11
	Business segments	12
	Product groups	13
	Directors and management	14
	Offices and employees	14
5.	Corporate governance	15
6.	Corporate Social Responsibility	17
7.	Risk management and internal control	18
8.	Human Rights principles	23
	Overview	23
	Assessment, policy and goals	23
	Implementation (actions) 2015	24
	Measurement of outcomes	25
9.	Labour principles	27
	Overview	27
	Assessment, policy and goals	27
	Implementation (actions) 2015	28
	Measurement of outcomes	40
10.	Environmental principles	46
	Overview	46
	Assessment, policy and goals	46
	Implementation (actions) 2015	47
	Measurement of outcomes	54
11.	Anticorruption	58
	Overview	58
	Assessment, policy and goals	59
	Implementation (actions) 2015	60
	Measurement of outcomes	62

1. Statement of continued support from the CEO



United Nations
Secretary General
NY 10017 NEW YORK
United States

Mail address
P.O. Box 3119
3301 DC Dordrecht

Office
Rijksstraatweg 7
3316 EE Dordrecht

Warehouse Dordrecht
Sneliusstraat 12
3316 GV Dordrecht
The Netherlands

Phone: +31 (0)78 653 4100
Fax: +31 (0)78 653 4101
Website: www.be-gg.com
Email: info@be-gg.com

B&S B.V.
Commercial Register No.
24225407

Contact person:
Bert Meulman
Phone: +31 (0) 78 653 4112
bmeulman@be-gg.com

Page
1 of 1



UN Global Compact COP

Dordrecht, the Netherlands, 27 February 2016

Dear Mr Secretary-General and other stakeholders,

B&S is a leading partner in wholesale and distribution of fast moving consumer goods. Our Company operates in several niche markets including ship suppliers, duty free shops, peace keeping forces, and air and cruise lines.

B&S is highly committed to maintain high ethical, social, environmental and governance standards and creating sustainable value for all our stakeholders. In order to advance our commitment to sustainability and corporate citizenship, we signed up as a member of the United Nations Global Compact in September 2010. By becoming a member of the UN Global Compact, we wanted to express our commitment to aligning our operations, policies and strategies with UN Global Compact's ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

With this letter I am pleased to reiterate our continued support for the principles of United Nations Global compact (UNGC). We intend to continue to embrace, support and implement these principles within our sphere of influence. We remain committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our Company. We support accountability and transparency. Our Company continues to make a clear statement of its commitment to our stakeholders and the general public.

J.B. Meulman
CEO
B&S

BANK : Deutsche Bank Nederland
BIC : DEUTNL33
IBAN : NL1502UT0625010684
V.A.T. No. : NL001234438B01

To all agreements whereby we act as seller our general terms and conditions of sale, delivery and payment apply, and to all agreements whereby we act as buyer our general terms and conditions of purchase apply, which you have received from us, and which are also deposited at the commercial register and published at www.be-gg.com. We expressly reject the applicability of your terms and conditions.

2. Introduction and scope of COP

B&S is a modern and professional organisation with a long and strong track record. The Company is a leading partner in the wholesale and distribution of Fast Moving Consumer Goods, active in various nice markets with the head offices in the Netherlands near the harbour of Rotterdam.

With our background in the Netherlands and being used to professional business conduct, the areas of Human Rights and Labour Rights are well regarded. In this respect we mainly focus on our locations in Afghanistan and Mali, where the impact of our actions regarding Labour Rights is of higher relevancy.

We maintain a high responsibility to the community. We further continuously strive to be an enterprising, well-respected and trustworthy organisation that makes a sustainable contribution towards society. In the interests of our stakeholders we further maintain the highest ethical standards in all aspects of our business with high respect for Human Rights and Labour conditions.

In accordance with legal regulations and vis-à-vis all its stakeholders it is the responsibility of our Company to strive continuously to apply sustainable practices in order to rank among the leading enterprises in our industry.

In this Communication on Progress, we provide an update of the Company's activities and measurement of outcomes in respect of the 10 UN principles by reflecting on the reporting period February 2015 to January 2016.

This report also includes "Context of Operation and verification" which discloses the Company's profile, mission, vision, DNA, corporate structure, key financial data and other Company data. It gives a broader picture of the B&S Group and its activities. Additionally we incorporated information on Corporate governance and Corporate Social Responsibility as well as the Company's Risk management. These are all standard elements in our day-to-day business, being regularly reviewed and updated. They are stated in our Annual Reports and based on Company policies, guidelines and procedures.

In this years "Communication on progress" we have included our updated Corporate Social Responsibility policy where we show our commitment to the ten universally accepted principles in the areas of human rights, labour rights, the environment and anti-corruption by incorporating these principles in our own policy and encourage others to embrace them as well.

3. B&S' strategy

The importance of operating a sustainable business lies in the unique concept of our Company, which is down to the drive and spirit of our people, the Company structure, and the relationship we have with our stakeholders. In the new economy it's all about being the most adaptable business rather than the fittest. During the year 2015 the B&S division remained very committed to investing in clients, personnel, suppliers and sustainable business. The importance of operating a sustainable business lies in the unique concept of our Company, which is down to the drive and spirit of our people, the Company structure, and the relationship we have with our clients.

For us, sustainable business means putting long-term vision ahead of short-term profits. That long-term vision goes further than our bottom line result; it means adding value in everything we do. It is about our relationship with clients, suppliers, the wellbeing and development of our employees, as well as our relationship with the environment. Developing sustainable relationships with our employees and our clients is already part of our core values, but the role of sustainability will take on even greater importance within the business as we go forward. This is one of the reasons why we support the UN Global Compact.

As a leading organisation we show our commitment to the ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption. When we develop our business, we look for sustainable solutions.

One good example of sustainability in action is our continuous **engagement with Eindhoven Airport in the Airport Carbon Accreditation program**, where we carry out actions in order to reduce the airport carbon footprint. During 2015, we have initiated activities and programs regarding recycling and saving energy.

In our warehouses in the North of Holland, we expanded the **automated storage system** for an affiliated company. The system is completely automated and will allow us to store our products with more efficiency and reduced consumption of power and maintenance costs. Space requirements are also up to 60 percent lower and we are able to prepare orders 4 times faster.

Another vital form of sustainability within the Company is full **compliance at all stages of the business process**. Our stakeholders expect and demand the toughest criteria to be applied across all compliance issues, from food safety and transparency through to customs clearance and legal compliance.

Internally, we invest a great deal of time and resources into ensuring compliance is top-of-mind and managed to the highest standards. For that reason, sustainability and risk management have been recurring topics on our management agenda. In this report we elaborate further on

UN Global Compact - Communication on Progress

how we view risks and how we mitigate these risks. It highlights our strong belief in operating a Company that greatly values social responsibility and is risk adverse.

Strategy

The Company's strategy is based on adding value for both its clients and its suppliers by making their interests converge. We deliver a wide assortment of goods to our clients in markets in which our suppliers are unable to deliver.



These niche markets are often remote and difficult to reach, which means clients' demands cannot easily be met. By balancing the needs of both parties we add value to the chain.

Our current position in the market is unique. We combine wholesale activities with the role of a distributor and retailer. This puts us in a perfect position to oversee the entire consumer goods supply chain, from producer to end-consumer. Thanks to our position we are able to make the supply chain more transparent and more efficient. Our main focus is playing an active role in the convergence of the supply chain between wholesalers and retailers, where making use of modern online tools and innovative investments is a key aspect.

Our balanced growth strategy is based on three basic aspects, the pillars of our organisation.

Balanced growth:

Growth is the lifeblood of B&S and the main pillar of its strategy. We firmly believe that growth is based on innovation and quality, fuelled by entering into new markets and by continuously making use of new business opportunities. Growth certainly leads the Company further and energizes the organisation. Balanced growth means the following for B&S:

- Organic growth and growth through acquisitions
- Innovation
- Quality growth
- Diversified growth
- Profitable growth
- Sustainable growth

BALANCED GROWTH – THREE PILLAR STRATEGY		
Innovation and quality		
<p>Cost leadership</p> <ul style="list-style-type: none"> ▪ Economies of scale ▪ Increasing efficiency ▪ Innovative logistics concepts ▪ Smart ICT solutions ▪ Synergies between business units 	<p>Client centricity</p> <ul style="list-style-type: none"> ▪ Highest client service level ▪ Anticipating clients' needs ▪ Tailor made solutions ▪ A flexible client approach ▪ Long-term partnerships ▪ Mutual trust 	<p>Diversification</p> <ul style="list-style-type: none"> ▪ Different markets ▪ Different regions in the world ▪ Different product groups ▪ Clients in different sectors
<p>B&S International aims to sustain its outstanding competitive and leading position in its markets.</p> <p>The Group strives continuously for further improvements in efficiency and economies of scale in order to lower corporate expenditure in relation to turnover.</p> <p>This is being achieved through bulk purchasing and investments in ultra-modern and innovative logistic concepts and ICT solutions and through synergy advantages achieved through the active cooperation of the various business units within the Group.</p>	<p>Excellent added-value and service during and between business activities makes B&S International a unique business partner. Added-value forms the bond between clients and suppliers and creates long-term relationships built on expertise and involvement. Sales activities are always combined with a complete service that includes client support, customs handling and transportation. The Company strives for partnerships and long-term relationships with its clients. The organisational model is designed to be as flexible, efficient and responsive as possible.</p>	<p>B&S International supplies and sources products at a global level in different niche markets. This means the Company is well diversified in markets, products and regions and also has a wide client portfolio.</p> <p>One of B&S International's strengths is its expertise in accessing remote areas and markets at an early stage.</p> <p>This enables our suppliers to launch products in these markets, which is considered a strong competitive advantage.</p>

4. Context of operation and verification

Corporate profile

B&S B.V. is a leading partner in the wholesale and distribution of fast moving consumer goods. B&S operates in several niche markets including ship suppliers, duty-free shops, peace-keeping forces and air and cruise lines. This often means thinking globally but acting locally.

B&S B.V. was incorporated on December 6, 1972, with a registered address at Rijksweg 7, Dordrecht, the Netherlands. The Company is registered with the Chamber of Commerce in Rotterdam, the Netherlands under number 24225407.

In accordance with its Articles of Association, the object of the Company is international (wholesale) trading in consumer goods and food.

Mission

B&S is the preferred partner for all niche markets around the globe that need consumer goods delivered at the right time to the right place.

Vision

Our vision is to be the most inspiring company in the markets we serve, with pioneering and innovative solutions for our clients, enabling us to be market leader in the consumer goods wholesale industry and duty-free retail markets.

DNA

At the heart of our organisational culture is the passion for international trade. This is coupled with a structural willingness to invest and innovate. Common values within our Company are cost-effectiveness, self-development, informal contact, state-of-the-art infrastructure, extensive staff facilities and practicing corporate social responsibility.

The Company's DNA can be described as "Reliable", "Successful", "Professional", "Unique", "Flexible", "Efficient", "Ambitious" and "Personal". Our understanding of the characteristics is presented in this Code at various places. These are corporate characteristics that move the Company and make it different from any other company.

Corporate structure

B&S B.V., the Netherlands, is a holding company with various participations in Group companies in the Netherlands and other countries.

B&S B.V. is a direct subsidiary of B&S International B.V. in Delfzijl, the Netherlands.

The ultimate parent company is B&S Holding S.à.r.l. in Larochette, in the Grand-Duchy of Luxembourg.

Further information about corporate structure can be found in the B&S International B.V. Annual Report 2015.

UN Global Compact - Communication on Progress

B&S offers a complete service to its clients: an extensive product portfolio, excellent supply chain management, full customs handling and marketing support.

B&S' history can be traced back over 140 years. In 2000 four separate organisations were integrated and the division comprises several specialists in a variety of niche markets.

These specialists are:



Financial highlights

	2015	2014	2013	2012
Profit and loss account				
Turnover	405.6	350.6	335.3	338.9
Gross margin	63.5	49.4	48.1	51.0
As a % of turnover	15.6%	14.1%	14.3%	15.0%
EBITDA	27.9	16.5	14.4	16.2
As a % of turnover	6.9%	4.7%	4.3%	4.8%
EBIT	25.8	13.7	11.8	13.4
As a % of turnover	6.4%	3.9%	3.5%	3.9%
Result of legal entity	19.0	9.6	8.1	8.5
As a % of turnover	4.7%	2.7%	2.4%	2.5%

Business segments

B&S operates in more than 100 countries worldwide. The nature of our clients is 'out of home' or 'duty-free' clients, such as airline catering or cruise lines. Below you can find which business unit serves these diverse and special niche markets.

B&S Bosman Global

The business unit B&S Bosman Global supplies food, beverages, spirits, cabin and non-food products around the globe. The segment delivers to various markets, such as:

- ship chandlers;
- airlines and airline caterers;
- wholesale and retail companies.



B&S Köpcke Global

B&S Köpcke Global is another business unit within the B&S division that operates as a global supplier in remote areas. The segment serves its clients in several markets, such as:

- peacekeeping forces and military catering;
- oil, gas, mining and industrial catering;
- humanitarian emergency relief;



B&S Paul Global

The B&S Paul Global business unit is a wholesale partner and distributor of A-brand consumer goods. The business unit interacts with the travel retail industry all over the world.

B&S Paul Global supplies duty free goods to:

- airport shops and border stores;
- on-board shops on airplanes and cruise liners;
- embassies, diplomatic corps and military shops.



B&S Global Cruise Supply

B&S Global Cruise Supply has more than 25 years' experience in supplying cruise ships worldwide. As the largest food and beverages cruise supplier in Europe, it focuses on offering a complete service, including efficient logistical solutions and a wide portfolio of products.



Product groups

With over 40,000 different products in its assortment, B&S offers its clients the widest selection of choices available.

As an independent wholesaler B&S offers an extensive range of sizes and brands, including nearly all the premium brands in the fast-moving consumer goods industry.

Key partnerships with world-renowned companies, plus the flexibility of having its own private and competitively priced GoodBurry label, mean that B&S can always meet client's expectations regarding choice, brand recognition, quality and price.



Food and Beverages

In the food segment B&S offers clients frozen, chilled and dry goods, comprising groceries, dairy, poultry, meat, seafood, fruit & vegetables, confectionery and non-alcoholic beverages. The assortment includes an extremely wide selection of the most popular premium brands as well as non-branded goods. Specialised items, such as halal and kosher food, are also provided.

Bonded

The bonded product category includes beverages (beer, wine and spirits) and tobacco.

Non-food

The Company supplies a wide range of non-food items, such as toiletries and disposables.

Luxury items and Electronics

B&S clients can choose from a wide selection of luxury items, including perfumes and other personal care products, as well as electronic items and other goods designed for personal use.

Directors and management

Board of Directors.

on behalf of B&S International B.V.

J.B. Bert Meulman . CEO

G. van Laar. CFO

Management B&S

Bert Meulman C.E.O.



Gert van Laar. C.F.O.



Management Team

C.E. van Esch; Managing Director, B&S Bosman Global

J. Smit; Managing Director, B&S Global Transit Center

A.R. van der Ster; Managing Director, B&S Köpcke Global

M.R. Riegel; Managing Director, B&S Paul Global

P. Kruithof; Finance Director, B&S

Offices and employees

The Company operates from the headquarters in Dordrecht, the Netherlands that comprises 30,000 m² of logistics facilities. The Company operates another warehouse in Spijkenisse, the Netherlands with 10,000 m² warehouses. B&S also operates a logistics centre and offices in Kabul, Afghanistan. B&S has always invested in state-of-the-art equipment and materials. The average number of staff employed by the Company during 2015 was 278 (2014:293).

5. Corporate governance

B&S B.V. is a private limited liability company established under the laws of the Netherlands. The Company considers the interests of all its stakeholders, from clients and suppliers to staff and shareholders and from financiers to governmental institutions, to be important.

The desire to pursue best practices is embedded in the Company's corporate philosophy and policies. The Company's governing bodies are aware that the environment is constantly changing as well as of the necessity of having consistent Corporate Governance guidelines that assist them in carrying out their responsibilities.

Corporate Governance is about more than compliance with rules and regulations. It is an integral part of how the Group chooses to do business. While our internal control, risk management and audit procedures ensure that proper controls are in place, we also encourage our employees to review their own and each other's activities and outputs. This helps them make sure they have acted correctly – and confirm that correct decisions have been made – and to challenge each other if they think something is the matter, if something appears unusual or they think there is a better way of doing things.

An integral part of Corporate Governance has been assigned to the Internal Audit Department. On behalf of the Board of Directors the Internal Audit Department monitors compliance by analysing and testing critical business processes.

The Board of Directors is responsible for the Company's day-to day affairs, its strategy and the advocacy of the general stakeholders' interests and is based on the creation of an optimum span of control.

Details of the composition of the Board of Directors have been included in this report.

A number of centralised corporate departments, (legal affairs, HRM, Internal Audit, M&A, marketing, logistics, ICT and Finance & Control), assist the management at the helm of the Group in making effective steering decisions.

As much authority as possible is delegated to the divisions and their business units. Within agreed guidelines the Group's staff, especially its senior managers, enjoy a high degree of autonomy and responsibility. This philosophy encourages staff to develop as experts in their business while, at the same time.

The composition of the Board of Directors does not reflect a situation as described in article 276 Book 2 Dutch Civil Code. Control over the Company through the Board of Directors is to a large

extent influenced by the ultimate shareholders. A balanced situation as outlined in the above mentioned article would only be realised if and when vacancies may become available and only to the extent that compliant candidates are of equal quality.

6. Corporate Social Responsibility

The importance of operating a sustainable business lies in the unique concept of our Company, which is down to the drive and spirit of our people, the Company structure, and the relationship we have with our stakeholders. In the new economy it's all about being the most adaptable business rather than the fittest.

For us, sustainable business means putting long-term vision ahead of short-term profits. This long-term vision, which is embedded in our DNA, goes further than any bottom line result; it is adding value in everything we do. It's about our relationship with clients and suppliers, the wellbeing and development of our employees, as well as our relationship with the environment. Developing sustainable relationships with our employees and clients is already one of our core values, but the role of sustainability will take on even greater importance within the business as we go forward. This is one of the reasons why we joined the largest network for Corporate Social Responsibility: the UN Global Compact.

As a leading organisation we show our commitment to the ten universally accepted principles in the areas of human rights, labour rights, the environment and anti-corruption. When we develop our business we look for sustainable solutions.

The complete CSR policy is incorporated in the Company's Annual Report 2015.

7. Risk management and internal control

Risk management and internal control form an integral part of the Company's day-to-day business operations. The corporate strategy is focussed on seizing entrepreneurial opportunities while, at the same time, managing risks effectively.

The corporate policy is to safeguard the Company's continuity while maintaining a balance between risk appetite and financial returns.

The Board of Directors, supported by senior managers within the organisation, is responsible for identifying, prioritising and mitigating risk and maintaining a robust risk management system and internal control mechanisms

The Company's risk profile is regularly reviewed by the Board of Directors and is discussed with the Supervisory Board. Although the Company's risk profile did not change fundamentally, the risk review in 2014 led to adjustments to the risk management framework, which is now classified in accordance with the COSO Enterprise Risk Management Framework.

As a result the Company's risk profile has been divided into the following risk categories:

Strategic risks

Operational risks

Legal compliance risks

Financial and reporting risks

Strategic risks are the risks that can prevent the Company from achieving its strategic ambition. Operational risks are closely related to the business operations. Legal compliance risks relate to risks arising from changes in regulations and applicable laws. The Financial and reporting risks are limited to financial matters and transparent reporting, both internally and externally. Particular risks can fall into more than one category or have overlapping determinants.

This risk management framework is firmly embedded in the Company guidelines and policies and supports the achievement of the Company's strategic, operational and financial targets while complying with legislation and regulations.

The Company's risk opinion is determined by the likelihood of the risk occurring and its potential impact on the achievement of the Company's strategy.

The following table shows a brief summary of the main risks that the Board of Directors has identified. These risks and the measures that have been taken to mitigate these risks are described in more detail on the subsequent pages.

Although the Board of Directors believes that the risks and uncertainties described in the next few pages are the most material risks, other risks might be present. When deciding whether the Company will be exposed to certain risks these risks are valued on the basis of the balance of the potential risks and returns. The Company then assesses the extent to which these risks are mitigated by current internal control procedures and whether additional internal controls procedures are necessary. The Company only accepts risks that, based on this assessment, are well balanced and, to an acceptable extent, controllable. All the risks mentioned in the Risks management summary are risks the Company is prepared to take.

Sensitivity analysis and benchmarking

Throughout the year the Board of Directors, senior managers, financial controllers, internal compliance officers and risk officers carry out self-assessment tests. These are combined with various external audits in relation to the defined key risk areas. For several risks the Company is used to go through various sorts of sensitivity analysis.

Carrying out a sensitivity analysis of key risk areas enables the approximate exposure in the event that certain specified parameters were to be met under a specific set of assumptions to be estimated. The range of changes chosen reflects the changes which, in the Company's view, are reasonably possible during a one-year period

The scenarios that are tested relate to, but are not limited to, rapid changes in market conditions, changes in gross margin, increases in interest rate and currency fluctuations. The effects on the Company's net result, cash flow and equity are analysed. These scenarios do not reflect any action the Board of Directors could take which might mitigate the effects.

In 2015, although the outcome of these tests revealed some negative effects on the Company's overall financial standing, they also showed that the Company remains within its long-term targets and financial guidance. This demonstrates that the Company has adequate buffers for dealing with substantial effects of potential risks.








































As a Company that holds sizeable levels of inventory with a certain volatility during the year, we also carry out critical stress tests on the theoretical financial boundaries of inventory positions versus equity, covenants and working capital financing.

In addition to the sensitive analysis the Company also applies benchmark assignments within the organisation. A benchmark analysis involves comparing various metrics with the averages of peer organisations and best practices for individual business segments within the Group. These benchmark analyses are supporting strategic decisions, but also provide forward-looking insight.

UN Global Compact - Communication on Progress

The results of control self-assessments, audits, scenarios and benchmarks are reported frequently and discussed with and between the Board of Directors and the Supervisory Board.

The outcome is further used for internal staff training and for improving the risk awareness within the organization amongst staff members.

RISK TYPE	POSSIBLE RISK	LIKELIHOOD	IMPACT	MITIGATION BY
Strategic risks				
Balanced growth	Imbalance in growth and organisation demands			Defined priorities.
	Changes in economic market conditions			Diversification across markets, products, regions and clients.
Cost leadership	Erosion of gross margin due to competition			Economies of scale, innovation and synergies.
Client centricity	Loss of clients			Service excellence, flexibility, reliability and trust, combined with long-term partnerships and contracts.
	Dependency on clients			Wide client portfolio. Dependence on largest client is low.
Diversification	Turnover volatility			Diversification across markets, products, regions and clients.
	Seasonality effects			Diversification across markets, products, regions and clients.
	Local competition			Group purchasing power.
	Market risks			Diversification across markets.
	Product group risks			Diversification across product groups.
	Economical downturn			Diversification across regions.
Operational risks				
Staff shortage/ surplus	Difficulty in attracting and retaining employees			Balanced remuneration package, stimulating workplace and excellent development opportunities.
	Surplus of employees due to market conditions			Downsizing of temporary employees.
Product risks	Quality risks, loss of quality certificates			Strict control and regulations combined with external audits.
	Reputation risk			Strict control and regulations combined with external audits.
	Product life-cycles			Keeping inventory levels low and keen pricing strategy.
Customs risks	Claims and fines			AEO status with long professional track record. Annual audits by external parties and insured.
ICT security risks	Failure and breaches			Strict procedures and annual EDP auditing.
Concession risks	Losing contracts			Extensive relation management and compliance to current contracts.
Insurance	Claims			Group coverage for indemnity and liability.

RISK TYPE	POSSIBLE RISK	LIKELIHOOD	IMPACT	MITIGATION BY
Legal compliance risks				
Changing legislations	Operational and financial effects	■	■	Active dialogue with legislators and support of local experts.
Financial and reporting risks				
Inventory risks	Overdue inventory, write-offs	■	■	Quality control and inventory rotation.
Merger and acquisition risks	Financial and integration risks	■	■	Careful due diligence and checks on synergy and integration.
Investments risks	Financial return and functionality	■	■	Strict procedures.
	Loss of value	■	■	Regular impairment tests, strategy to add value.
Financing risks	Dependency on banks	■	■	Financing by different financial institutions and maintaining excellent relationships with financiers.
Credit risks	Non or late payment	■	■	Floating interest or use of financial instruments.
Interest risks	Increase of interest costs	■	■	Floating interest or use of financial instruments.
Currency risks	Transaction effects	■	■	The main currency is Euro. Natural hedging for other currencies.
Financial instruments	Speculation and financial effects	■	■	Strict procedures and professional external advice.
Tax risks	Non-compliance	■	■	A strong track record, timely and adequate reporting, effective tax framework, policies and systems in place, combined with professional advice from external experts.
		■	■	
Reporting risks	Reliable financial reporting both internal and external	■	■	Strict procedures, state-of-the-art reporting software and internal control.
	Control deficiencies	■	■	Strict procedures and compliance.
<div> <div>■ Low risk</div> <div>■ Medium low risk</div> <div>■ Medium high risk</div> <div>■ High risk</div> </div>				

A man with short dark hair, wearing a dark green zip-up jacket, stands in a warehouse with his arms crossed. He is looking directly at the camera. The background shows tall blue metal shelving units filled with cardboard boxes. A blue vertical beam is visible behind him. The lighting is bright, coming from overhead industrial lights.

**In good
hands
with
B&S**

United Nations Global Compact

Human Rights

8. Human Rights principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Overview

The B&S organisation is mainly based in the Netherlands and the majority of the business is directed from the Netherlands, where the key offices and staff are situated. The Group further operates sizeable operations in Afghanistan and Mali.

B&S is a modern and professional company that adheres to national laws, rules and regulations in the countries in which it is active. All employees are offered the best possible conditions. As a minimum these conditions exceed the ILO labour conventions.

Our Company respects human rights and always treats people with respect and dignity. B&S has never been and never will be involved in any child labour or forced labour.

There is no discrimination of gender, age, race and religion in employment of B&S staff. As the Company mainly operates from the Netherlands and adheres to local laws, the Human Rights principles are well taken care of.

In Afghanistan where we also operate a warehouse, the national Human Rights conditions may be found different from what we are used to in Europe. With the standard Human Rights conditions that the Company is accustomed to and following our own beliefs and standards, we apply Human Rights similarly in Afghanistan. This is applicable for our own staff as well as for all other stakeholders in and around the Company.

Assessment, policy and goals

We emphasize our support to the Universal Declaration of Human Rights. The protection of the Human Rights is derived from group ethics, rules and policies and further based on applicable policies from the ILO and UN conventions, all as far as relevant for the activities of our Company and our industry.

The relevant procedures are firmly embedded in the Company's Code of Conduct, which is applicable for all staff members working within our Company. The Code of Conduct includes policies on respecting and supporting Human rights. It also includes a non-discrimination clause.

All staff members should understand the principles, procedures and guidelines stated in this Corporate Code of Conduct. It is expected that staff members work in the spirit of those principles and actively propagate them in order to protect or to improve the Company's integrity and reputation.

Company managers are expected to lead according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way

communications. Managers must be positive activists and role models and must be diligent in reporting unethical or illegal conduct.

Implementation (actions) 2015

Topic 1. Procedure review and discussion with senior management on breaches

On a yearly base the Company reviews procedures and has discussions between the Board of Directors and senior managers on the effectiveness and completeness of the procedures, breaches, and incidents.

Topic 2: Success story: financial support for a Nepalese colleague

We take high interest in social entrepreneurship, enhancing quality of life around the globe. As an international organisation we employ people from all over the world. One of our colleagues Ram Kumar Karki, Warehouse Manager in Kabul, Afghanistan, of Nepalese origin, lost his house because of the earthquakes in Nepal last April and May. His family had to flee to a shelter. As an employer we feel responsible for his welfare, and the Company has given him financial assistance in order to build a new home for his family.



Ram Kumar Karki "I'm proud to work for this company."

The unexpected help gave me positive energy, I am grateful"

Measurement of outcomes

Human Rights		
Company relevance	Fairly limited, main attention to operations in Afghanistan and Mali	
Risk level	Limited to none.	
Related UN principles	1 and 2.	
Goals	Respect Human Rights. Support the Universal Declaration of Human Rights. No complicity in Human Right abuses.	
References and policies	Annual Reports, Corporate Code of Conduct. ILO and UN Labour conventions. Universal declaration of Human Rights. Employee handbooks. Group ethics, rules and policies	
Topic	Action	Outcome
Procedure review and discussion with senior management on breaches.	Code of Conduct with strict policies in place. Active promotion by managers. Assessment of Human Rights related risks and impacts in our operations, mainly abroad.	No Human Rights violations. abuses, breaches or complaints in or before the reporting period.
Earthquakes in Nepal	Financial support for a Nepalese colleague	A new home for his family
Clean water	Providing clean water to all our staff	Bottled water availability, clean and maintained washrooms, toilets, lockers. Implementation of a reversed osmosis water purification plant on the compound for clean washing and shower water for all staff.



**In good
hands
with
B&S**

United Nations Global Compact

Labour Rights

9. Labour principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Overview

As it's our people who make the difference when it comes to serving our stakeholders, human resources are considered a strategic factor. B&S has set itself challenging but realistic goals and, as a consequence, human resources management is a decisive factor and primarily focused on supporting the sustainable growth of the Company through an operational staff of talented people.

The human resources function within B&S is set to ensure the quality of our human capital and has the opportunity to help shape the Company's future by focusing on the career development, retention, work safety and well-being of staff members.

The Company offers an international and high-quality working environment in which performance and world-class leadership are promoted.

Assessment, policy and goals

Our ambition is to be amongst the most attractive and active employers within our industry.

All employees have standard working hours, based on local regulations and industry standards and in accordance with the ILO conventions. All employees receive fair compensation for their work in line with local minimum requirements specified by the law and by the industry standards in relevant countries as well as by ILO conventions.

B&S employees have the right to a healthy and safe workplace. This is particularly important when it comes to working conditions in the Company's warehouses and for operational activities, B&S has always invested in state-of-the-art equipment and materials. At the same time we do our utmost to ensure the safety of third parties, their goods and the environment.

The good working conditions and positive working atmosphere within our organisation contribute towards the general motivation and effectiveness of the Company as well as the structurally low average absenteeism.

Implementation (actions) 2015

Topic 1. Procedure review and discussion with senior management on breaches

On a yearly base the Company reviews procedures and has discussions between the Board of Directors and senior managers on the effectiveness and completeness of the procedures, Breaches, and incidents.

Topic 2. Labour conditions B&S Cruise Shops

Our employees are essential to us. That's why careful staff selection and extensive and continual staff training is of paramount importance to us. We have set up the B&S Academy specifically to this end. At B&S Academy all new employees take part in an intensive training programme. Through e-learning modules, face-to-face training sessions, assessments or on-the-job training, employees are educated in the company and our DNA; soft skills, attitude and behavior; and product knowledge.

Senior Management

All senior management take part in general management training and company-specific management courses. In addition, international management training courses are held for everyone at management level. B&S has a personal development budget so that employees are given the opportunity to follow courses in a particular area.

Induction Programmes

Management staff will take part in an in-depth induction, which takes place in several of our current retail operations and offices. Management employees will be fully trained and equipped for their management position.

We recognize the special needs of seafarers, and offer our new employees fair conditions, complying with all Maritime Labour Convention (MLC 2006) guidelines. We gave special attention to the following topics:

- Contract terms and conditions
- Working and rest hours
- Payment and wages
- Accommodation, food and catering
- Health and safety
- Complaint handling.

Employees on board of Thomson Majesty:



Topic 3. Labour conditions Afghanistan and Mali shop employees

By adhering to our own Group policies and the ILO conventions and rights as a minimum we strive to upgrade the labour rights of the local staff in Afghanistan and Mali. Along with the growth of our organisation and activities in Afghanistan and Mali the number of staff increases.

The personnel policy in Afghanistan and Mali is basically the same as our personnel policy that is used in the Netherlands, only is partly modified to the local conditions and circumstances. The main points of our Human Resource policy comprise of:

- Employment is recorded by means of a contract;
- Agreements are in line with local laws and regulations;
- Salaries are competitive with ILO convention as a minimum; and
- Each employee will receive internal training and work guidance.

The fair salary payment for B&S staff is reflected in competitive salary conditions offered by B&S. Besides a fair salary, staff receives a monthly food allowance and a monthly transport allowance. Working overtime is paid at a rate of 150% and working on Official Public and Religious Holidays is paid at a rate of 200%. Staff is entitled to 10 days paid leave for every six months worked.

The working hours are based on the Labour and Employee Law of the Islamic Republic of Afghanistan and differ depending of the season:

- | | |
|---|---|
| ▪ April 1 st – October 31 st | 08.00 hrs. until 17.00 hrs. (1 hour lunch break included) |
| ▪ November 1 st – March 31 st | 08.00 hrs. until 16.00 hrs. (1 hour lunch break included) |
| ▪ Ramadan hours | 08.00 hrs. until 14.00 hrs. (no lunch break included) |

Topic 4. Secure working conditions Afghanistan subsidiary

The security in Afghanistan of the Company's offices and warehouses is an important aspect. As the Company stores consumer goods in its warehouse, the premises need to be protected in relation to potential attacks, theft and other breaches.

The B&S compound is located in a relatively safe area just past the city gate of Kabul. The nearest police and military post is only 0.5 kilometre away.

The compound is secured by 34 guards on location (working in two shifts), equipped with adequate defence tools. The compound is surrounded with a high fence. There are separate guarded exit and entry gates. All vehicles entering the compound are thoroughly inspected. And also the visitors are registered and searched before entering.

Also in the warehouse safety is an important aspect, albeit in a different capacity. In the warehouse equipment such as forklifts, electric pallet trucks, pallet jacks and electric wrapping machines are used. The staff is well trained to use this equipment safely. Furthermore the warehouse is well organized and clean which also contributes to the safety of our staff. The training of staff is an on-going process.



Employees BS Central Store Mazar

Topic 5. Training food safety, hygiene, personal health and hygiene in Afghanistan subsidiary

B&S has an extensive training program to ensure that employees in Afghanistan are competent to perform their jobs and to improve efficiency in relation to food safety, personal health and hygiene. Training courses are provided in different ways:

- Workshops
- Presentations
- Training on the job

A logbook is kept in which all trainings are registered. The following types of training are given:

1. Introduction training
2. HACCP Awareness
3. Food Safety
4. Personal Hygiene
5. Manual Handling
6. Fork-lift safety
7. Fire safety
8. First aid
9. PPE

Example of first aid training



Topic 6. Trainings personeel logistics center the Netherlands

B&S has an extensive training program to ensure that employees in the Netherlands are competent to perform their jobs and to improve efficiency in relation to food safety and security.

It is crucial for us that employees are properly trained first of all because it ensures their own safety and security, and second of all it ensures all our processes are strictly followed. Below an overview of all the trainings given. In 2015 we have implemented the following training sessions:

- **HACCP & ISO22000 training** (154 employees): internal training about our quality management systems, HACCP and ISO22000.
- **Air – freight Security** (24 employees): awareness training about how to recognize, prevent and handle any possible danger (terrorism) during airfreight.
- **Air- freight Security Controller** (31 employees): training about different kind of security inspections on deliveries for airfreight . Knowledge about possible terrorism on airfreight, methods and resources on how to perform the inspections.
- **Air- freight Security Advisor** (6 employees): training is mentioned for the person who is responsible of supervision of the security process airfreight. This is also the contact person for the Royal Marshals.
- **Air Transport of Dangerous Goods** (2 employees) IATA Category 6: this course will improve the awareness of the legal requirements, operational restrictions, packaging instructions, marking, labeling and documentation regulations related to the transport of dangerous goods. Gain the skills to accept, handle and process shipments containing dangerous goods according to the current edition of the mandatory IATA Dangerous Goods Regulations manual.
- **Sea Transport of Dangerous Goods** (4 employees)(IMDG-Code (1.3.1.5) Function 2 until 9): How to apply appropriate safety precautions, and understand the legal requirements and operational restrictions involved in shipping dangerous goods by vessel transport. Gain a detailed understanding of International Maritime Dangerous Good (IMDG) Code regulations and practical knowledge of Code requirements, in relation to classification, packaging, vehicle packing and vessel stowage.
- **Awareness ADR** (5 employees): how to apply appropriate safety precautions, and understand the legal requirements and operational restrictions involved in dangerous goods by road.
- **Awareness dangerous goods** (6 employees): general introduction course of working with dangerous goods.
- **Gas measurements** (2 employees): skill training for employees who work with import cargo, risks of importing gas and releasing containers.



HACCP training

Topic 6. Health checks

All people hired by B&S will get a full healthcare check. This check includes:

- Blood tests (Hepatitis A/B/C, HIV, Tuberculosis)
- X-ray of the chest
- Physical Examination
- Urine tests

Topic 7. Good working environment

B&S takes care of a good working environment. Initiatives and involvement from our employees are highly valued. Often meetings are organized whereby staff can share their ideas to improve processes and working conditions. Besides there are a lot of social area's where the staff can sit together watching movies. Also a volleyball court, pool- and table tennis tables and a gym facilities are available. On top of that, every summer a big barbeque is organized to which local staff can bring their family.

Topic 8. Employees Council Trainings and Communication

The company facilitates trainings in order to support the education of members of the works council.

The works councils objective is to inform and support employees on their labour rights. Therefore it has started sending periodical mailings informing employees about relevant topics related to legislation, and above all their rights.

In 2015 the Employees Council organized lunches where all employees were invited to join and address issues of concern, ask questions and share new ideas.



Members of the Employee Council

Topic 9: B&S as knowledge centre

Employees are given considerable autonomy in performing their tasks. Although general guidelines are established to assist them in making decisions and taking responsibility, they are allowed to act as pioneers and individual entrepreneurs. The initiative of its staff has enabled the Company to explore new markets, sell new products and pioneer new regions. Thanks to the organisation's horizontal and cellular structure with short-lines of communication, top-talent surfaces swiftly. These are employees who stand out because of their individual success in their tasks: they are proactive, creative in searching for solutions and they think "out of the box". B&S is keen to embrace talented employees and gently guide their internal career development towards filling management positions within the organisation. Over 90% of the managers within B&S have risen through the ranks in this way.

We believe that investing in our employees encourages motivation on our employees at the same time brings the complete company to a more professional stage. It is also part of our policy that seniors are actively involved in the training of the job of the starters and juniors and in this way share their knowledge with their colleagues.

We truly believe employees need to be involved in the Company's strategy and processes in order to maintain their motivation. Every year, all members of the Management Team give a presentation to the staff of the entire Company where the following topics are updated and discussed:

- Company vision;
- Strategy;

- Information per department, indicating milestones, opportunities and threats;
- Financial situation.



Topic 10: B&S Academy

During 2013 the Company formed the set-up of its own B&S Academy. All new Company entrants participate in a traineeship by following a combination of on-line and in-class courses. The trainee programme comprises several modules covering a variety of subjects, such as the Company's history & background, its corporate strategy and objectives and its main policies and general guidelines. Practical subjects relate to commercial aspects, logistics and customs affairs, IT solutions and finance. These courses also provide new entrants with an insight into the opportunities and personal development possibilities.

The training course for new employees also helps the new recruits get to know staff members working in other company disciplines, departments and Group companies. The resulting contact networks encourage the exchange of best practices later on.

Following the success of the B&S Academy for new entrants, the Company started a training programme for the juniors in the organisation. Here the training focus is more focused on

themes related to the different job positions. Apart from the training programme for new staff and the junior programme, the organisation offers a wide range of more dedicated training programmes. This varies from job training, language courses and logistics courses to external sessions for financial staff. During which employees have to work out case studies presented by entrepreneurs and specialists and learn from best practices and trends in their own field of expertise.

Revising the first year of B&S Academy, we are very pleased with the results. After 6 months of traineeship, trainees have a clear and in depth view of the company that supports their development on the job. Trainings have been professionalized even further by combining theory and daily practice on a higher level, providing practical cases and interactive assignments.

Learning Management System – Online follow up

In order to optimise the development, follow up and evaluation of this program the Company invested in an online Learning Management System. All users (trainees, juniors, managers and trainers) can individually log in to process training results, individual development and training evaluations. It also aids our HR department to properly follow up on the progress of trainees.





Topic 10: Promoting a sportive life among employees

B&S takes interest in providing a healthy work environment and encourages its employees to live healthier lifestyle. For this reason, our offices have a costless internal sports facility and a physiotherapist available to all employees. We also sponsor employees in sportive activities outside work. In 2015, employees were sponsored with sports clothing for sport events such as “Bruggenloop” and “Marathon Rotterdam”



Topic 11: B&S battles youth unemployment

At B&S, we highly value young talented and ambitious graduates that help us grow and achieve our business goals. We have always emphasized on our responsibility we have as a company to society, by giving young graduates a chance to develop themselves towards role models for the generation to come. Over the years, we have formed close relationships with local universities in order to bridge the gap between work field and education.

Although this established recruitment policy proves to be successful, we know that society asks for a stronger and wider approach to fight youth unemployment in a variety of population segments. For this reason, we promote equal opportunities and professional development for youngsters that, due to different circumstances have more difficulty to enter the labor market. During the last months, we have been dedicated to establishing a policy and specific program in order to welcome these colleagues with special needs to the organization.

Introducing this new company recruitment pillar, several new colleagues have already been hired, and an integral recruitment and training program will be launched in the near future. This involves one-on-one daily guidance by a senior employee for these colleagues, as well as training programs for current managers and employees to guide their new colleagues. By actively live our social role in society, we can offer all youngsters a chance to participate in the labor market.

Measurement of outcomes

Labour rights		
Company relevance	Relevant for all B&S staff.	
Risk level	Low in the Netherlands, elevated in Afghanistan and Mali, slightly elevated for Cruise shops.	
Related UN principles	3,4,5 and 6.	
Goal	Freedom of association and the effective recognition of the right of collective bargaining. Elimination of forced and compulsory labour. Abolition of child labour. Elimination of discrimination in respect of employment and occupation.	
References and policies	Annual Reports, Corporate Code of Conduct. Labour contracts. Safety and security procedures. HACCP. ISO 22000. Marine Labour Convention 2006	
Topic	Action	Outcome
Procedure review	The Company has firm policies and procedures in place, which are regularly reviewed, discussed, updated, promoted within	No relevant breaches to report for the reporting period. Active dialogue with local legislators in Afghanistan and adjustments to local

UN Global Compact - Communication on Progress

	the Group.	circumstances and conditions.
Periodic review with senior management.	Periodic review with senior manager on the breach of policies.	<p>Nothing to report in the Netherlands.</p> <p>On-going improvements on labour conditions for staff in Afghanistan.</p> <p>Number of staff in Afghanistan decreasing and hired based on good labour conditions, significantly exceeding local labour conditions.</p>

Topic	Action	Outcome
Labour conditions for Cruise shops employees	Contracts strictly following MLC 2006 ILO.	Fair working conditions for employees.
Labour conditions Afghanistan subsidiary	Continue to offer fair conditions.	Staff hired receive good labour conditions based on employee policies similar to the ones in the Netherlands. Labour contracts are in line with laws and regulations, which are regularly updated and adjusted to local conditions and changes in legislation.
Labour conditions Afghanistan subsidiary	Fair and competitive salary payment	Salaries for employees of the B&S operation in Afghanistan receive competitive wages, plus food and transport allowances, overtime payments and bonuses.
Secure working conditions Afghanistan subsidiary.	Continuing to safeguard the working space.	The B&S compound in Afghanistan is thoroughly protected, based on strict safety plan that is regularly updated. No incidents to report.
Training Food safety. Hygiene, personal health and hygiene.	Intensive trainings. New trainings have been added such as dangerous goods handling.	Training courses are scheduled regularly, leading to a better knowledge on Food safety, personal health and hygiene. Training courses support the HACCP conditions relevant for the organisation. Trainings creates awareness about the importance of strictly following all procedures, and increases the education level of our employees.
Health checks.	All new employees receive a health check.	Support to overall low sickness rate.
Good working environment.	Initiatives to improve working conditions.	Support to overall low sickness rate.

Topic	Action	Outcome
Employees' council-teamwork and trainings	The Company supports work's council candidates with adequate training and help them to create teamwork.	Support leads to a motivated council that can represents the labour rights of staff. Excellent teamwork was recognized. The Council forms a professional discussion partner with Company representatives.
B&S as a knowledge centre.	Active investment in the knowledge of staff. Informing all employees regarding the company strategy, financial situation and future vision.	Career development, knowledge enhancement, higher Company motivation, improved efficiency. On-going process. Yearly presentation from Management to all employees.
B&S Academy.	B&S introduced its own Academy with the aim to create learning Management system.	Career development, knowledge enhancement, higher Company motivation, improved efficiency. On-going process.
Healthy lifestyle	Sports center and physiotherapist available. T-shirts sponsoring for running and other sport events.	Employees are making use of the sports facilities after work or during their break, which improves their health conditions. The sponsoring action motivated a team of employees to participate in a running event, having a positive effect on the team spirit.
Fight youth unemployment in a variety of population segments.	Implement an integral recruitment and training program, which involves one-on-one daily guidance by a senior employee for these colleagues, as well as training programs for current managers and employees to guide their new colleagues.	Created 6 positions within our company. By actively live our social role in society, we can offer all youngsters a chance to participate in the labor market.

A woman with reddish-brown hair, wearing a dark blue polo shirt, is smiling and gesturing with her hands in a warehouse. In the background, there are tall metal shelving units with orange plastic bins hanging from them. The scene is brightly lit, suggesting an indoor industrial or storage environment.

**In good
hands
with
B&S**

United Nations Global Compact

Environment

10.Environmental principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Overview

B&S takes good care of the environment by doing more than required by local environmental regulations. Whenever possible practices of reduction, reuse, recycling and recovery are implemented to ensure resources are utilised in the most environmentally prudent manner.

We have considered this 'Environment' section in a more broader sense, including our environmental responsibility towards the planet, as well as our social role towards the community. In this part, we further include and describe our responsibility as distributor within the food supply chain.

Assessment. policy and goals

B&S is concerned about the conservation of the environment in its broadest sense and recognises that certain resources are finite and must be used responsibly. We aim to limit the use of finite resources in all our business ventures and, in particular, recognise our obligation to manage responsibly the assets we use and occupy.

To this end we take the precautionary approach of avoiding the use of materials and methods that pose environmental and health risks whenever suitable alternatives are available.

When deciding on corporate investments we always seek sustainable solutions and try to maximise both financial return and social good.

Investments in warehouses and offices are executed in accordance with the most modern standards, which includes trying to save energy and use recycled material.

Continuous instructions to the Company's staff are raising awareness of good garbage handling and waste reduction and embedding it in the Company culture.

As a food distributor, B&S has a responsibility within the distribution channel. Over the last years our efforts on supply chain transparency have increased remarkably, for example establishing internal procedures in both directions of the distribution channel: towards suppliers and towards customers.

Implementation (actions) 2015

Topic 1. Procedure review

On a yearly base the Company review procedures and has discussions between the Board of Directors and senior managers on the effectiveness and completeness of the procedures, breaches and incidents.

Topic 2. Food safety and transparency

B&S purchases, stores, handles and sells large quantities of food products. Maintaining and observing food safety standards and transparency related to food products are a priority within the Company. All food products that enter the logistics centres are subject to comprehensive quality controls, are handled with the utmost care and are stored in climate-controlled environments.

The proper handling of food is a key priority within the organisation. The Company' has a risk management system for food processing in place at the highest level and its processes are ISO 22000 and HACCP (Hazard Analysis and Critical Control points) certificated.



All compliance and safety procedures are rigorously checked with a special attention to high-risk products, such as meat and poultry.

The Company's logistics centres are checked by the European Food Safety Authority on a regular basis. Documents are examined to ensure they conform to the correct standards and random product samples are taken for laboratory analysis.

Employees receive regularly courses and trainings regarding these processes (see topic 6 in Human Rights)

Topic 3. Supply chain transparency

As one of the largest food handlers in Europe in its markets. B&S is playing an active role in the trend towards improving transparency related to food products. This is evidenced by a focus on the provenance of food, which means ensuring there is a clear paper-trail from the moment a food product enters the supply chain to the moment it is delivered to the client.

To improve transparency related to our own GoodBurry products we have further improved the product information on our product packaging. The information on our product labelling fully complies with the most stringent regulations for product labelling, such as the most current EU and UN regulations.

- Addition of nutritional values;
- Clear declaration of ingredients;

- Better traceability through the addition of EU registration number. or EU Health mark. and on seafood products the FAO fishing areas;
- Better legibility through amending the label structure.

In 2015 we continued to invest in our product information management system, which is crucial to the launch of our wholesale-of-the-future program. We expect that in the years to come systems and platforms of suppliers, wholesalers such as B&S, and our customers will be intelligently linked, enabling more transparency in the supply chain.

Topic 4. UN Compliant supplier

B&S is registered with the UN Global Marketplace under Registration Number 253967 (previous registration number was 189864 level 2).

B&S BV is successfully registered and incorporated with **26** Global UN organizations as shown below: UNDP, WHO, ITC, UNFPA, UNHCR, UNICEF, WFP, UNRWA, UNOPS, UNAIDS, IAEA, CTBTO, OPCW, ILO, FAO, UNESCO, ITU, WMO, WIPO, IFAD, UNIDO, UN - Secretariat, AFDB, ADB, PAHO, UN-Women.



Since end of the 80's B&S has delivered food and supplies to various appointed catering contractors for the UN Peacekeeping forces.

Since the interest regarding food safety and complete chain transparency has increased. the UN has established guidelines according to the following subjects:

- Product specifications (product quality and product information on the packaging)
- Supplier specifications (origin of the product, factory certifications, health & safety in production etc.)

Topic 5. Waste management

B&S has outsourced waste processing to a professional recycling company. The operational waste (packing, boxes, etc.) is collected from the warehouses and offices, compressed selectively in dedicated compactors for paper, foil and general (mixed) garbage and whenever possible recycled.

Waste paper is collected in special bins and recycled. Printing and copying is carefully limited. the scanning of documents and electronic document sharing is preferred.

Continuous instructions to the Company's staff are raising awareness of good garbage handling and waste reduction and embedding it in the Company culture.

Topic 6. Energy consumption and CO2 reduction

Most of the Company's offices use motion-detection lights and energy saving bulbs or led lights. When this is not the case office employees are instructed to limit the use of energy and trained to switch off lights when they are not needed. Management staff is very strict in controlling this energy-saving policy.

When commissioning investments the aim is always to reduce carbon emissions. A good example is the newly built warehouse in the North of the Netherlands for an affiliated company. This warehouse holds one of the most innovative fully-automated storage systems. Products are stored and picked in a most reliable and efficient way. This contributes towards far lower energy consumption and maintenance costs.

In 2015 the Company invested in a new wrapping machine, producing less waste packaging product. Furthermore, tight load unitization found with stretch wrapping improves load handling, increases efficiency, boosts workplace safety and helps ensure products arrive safely.

Another example is the investments for the B&S Shop Fly at Eindhoven Airport. developed in partnership with the airport authorities, where we have managed to reduce the carbon emission significantly. Using electric trolleys for transporting products within the centre has completely eliminated emissions.

B&S Shop Fly: engagement with Eindhoven Airport

We drive to reduce carbon emissions at our B&S Shop Fly at Eindhoven Airport, which we have been developing in partnership with the airport authorities. During 2015, we have initiated activities and programs regarding recycling and saving energy.



Communication items to remind employees to limit printing and to switch of electric equipment at Eindhoven Airport.

In our warehouses in the North of Holland, we expanded the automated storage system for an affiliated company. The system is completely automated and will allow us to store our products with more efficiency and reduced consumption of power and maintenance costs. Space requirements are also up to 60 percent lower and we are able to prepare orders 4 times faster. It has brought us new clients, who now benefit from a more advanced and reliable picking process and shorter lead times in the ordering process. At the same time, it has resulted in lower energy use and less maintenance costs.



Expansion of AutoStore allowing us to store our products with more efficiency and reduced consumption of power and maintenance costs

Topic 7. Community

As one of the many players on the global playing field B&S believes in acting as a responsible corporate citizen. Our Company supports activities that improve the lives of people in the communities in which our employees live and work. These activities may include education, health care, community building, infrastructure or nature development. Employees are encouraged to participate actively in community programmes. Managers are expected to give their employees the opportunity to play an active role in society, for example through community or educational programmes, unless participation in these activities would create a conflict of interest.

Education

The Company considers education to be the important factor for personal development. B&S maintains close relationships with Universities, High schools and teachers in the areas in which it is active with the intention of contributing to the education of the community and sharing knowledge.

Our educational activities comprise training courses. Workshops, in house days and presentations. Dedicated learning projects are organised in cooperation with universities. In addition, every semester a number of students participate in our internship programme or undertake graduation assignments regarding relevant issues within our organisation.



B&S is present at different Internship Events from the universities in our region.



CEO quest lecture during the Global Entrepreneurship Week in Rotterdam

B&S Open day to 4th year students from 'International Business and Languages' from Rotterdam University of Applied Science



B&S In House day; where starters and starters and students get acquainted with career and internship opportunities at B&S

Charity

B&S is open to providing funds for charities, but has chosen to do this in a focused way by sponsoring local projects and charity initiatives.

Food and other donations

B&S trades in food and consumer products and holds sizeable levels of own stock in its warehouses. Food products that are nearing the expiry date are regularly offered to general food associations or Food Banks (i.e. The European Federation of Food Banks). Although these products have lost their commercial value they can often provide a welcome supplementary source of food for people with fewer resources.

Memberships

B&S is closely involved with different organisations in the industry. Several of our employees are member of market and industry organisations. such as the National Association of Dutch Exporters (Fenedex). NVVS. ITCA. EVO and other leading organisations in the industry.

Measurement of outcomes

Environmental		
Company relevance:	Mainly related to liquor and tobacco products.	
Risk level:	Medium.	
Related UN principles:	7,8 and 9.	
Goals:	Precautionary approach to environmental challenges. Promote greater environmental responsibility. Encourage the development and diffusion of environmentally friendly technologies	
References and policies:	Annual Reports. Corporate Code of Conduct. HACCP regulations. ISO 22000.	
Topic	Action	Outcome
Procedure review	Regular review and discussion with key managers related to procedures, necessary updates, audits etc.	Procedures are effectively in place. Audits in 2015 lead to prolongation of certifications. Adjustments and updates in procedures implemented.
Food safety and transparency	Thorough quality controls on food products. Compliance and safety procedure rigorously checked. Regular audits performed.	Prolongation of certifications in 2015. On-going process.

UN Global Compact - Communication on Progress

Topic	Action	Outcome
Supply chain transparency	The Company plays an active role towards the improving of transparency related to food products.	<p>Effective procedures in place ensuring a clear paper trail from supply chain entrance to delivery to client.</p> <p>Improvements on product information on packaging of own GoodBurry products.</p> <p>Start of a digital Product Information System enabling more transparency in the supply chain</p>
UN Compliant food supplier	<p>Establishing UN Project group.</p> <p>Stricter selection of suppliers.</p> <p>Special Quality Management procedure implemented in our warehouse for UN products.</p>	Transparency in the supply chain from suppliers of goods that will be sold to the UN forces.
Waste management	<p>Outsourced waste processing.</p> <p>Continuous instructions and raising awareness related to garbage handling.</p>	<p>Professional handling and reduction of waste.</p> <p>Awareness on garbage handling.</p> <p>On-going process.</p> <p>Investment in new technologies using less packaging materials</p>
Energy consumption and carbon reduction	<p>Active participation in Airport Carbon Accreditation program.</p> <p>Continuous communication to all employees</p>	Higher awareness among employees regarding recycling, and avoiding waste of energy.
Community	Active member of industry organisations.	<p>Active support towards B&S employees to become a member of market and industry organisation.</p> <p>Several B&S employees are member of key organisations in the industry.</p>

UN Global Compact - Communication on Progress

Community	Active involvement with the Universities in our region giving workshops, guest lectures and participating in events.	Bridging the gap between schools and working life. Sharing our knowledge with graduates and students
Topic	Action	Outcome
Education	Active role to contribute to education. Regular educational activities comprising training courses, workshops and presentations.	Close partnerships with Universities and academies, supporting the University's objective of adapting their programs towards the Company reality. Students getting more insights of international Company experience.
Charity	The Company sponsor mainly local projects.	Various projects sponsored.
Food donations	Food products that are nearing expiry date are regularly offered to general Food associations or Food banks.	Regular donations. On-going process.

**In good
hands
with
B&S**

United Nations Global Compact

Anti-corruption

11.Anticorruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Overview

Our Company has a long history with diverse activities dating back for more than a century. Our Company is rightly proud on its background. It has evolved over time and determines the professional Company that we are today.

The way we do business, our Corporate Code of Conduct has evolved alongside. It is a sustainable and strong pillar on which the Company has earned the trust of its business partners.

Whereas the Corporate Code of Conduct is firstly applicable for the Company's own staff members, we considered it important that our stakeholders follow similar good governance and business ethics. We actively promote our ethical behaviour to stakeholders. even in other languages if needed for a better understanding.

Our integrity should be beyond all doubt. In view of the important social role of our Company. it is imperative that all our employees comply with the legislation and regulations of the countries in which we are active and also comply with the values and standards that apply within our Company and which have been laid down in this Corporate Code of Conduct.

We expect our employees to show integrity and honesty in their mutual relationships and in relationships with stakeholders. We also expect integrity and reliability from our business partners, such as clients, suppliers and other business partners.

Our Company operates worldwide, sometimes in remote areas and in developing countries. The stance to institutions is important for the way we operate.

The Company abides by the local legislation, industry minimum standards, ILO and UN conventions and other statutory requirements.

Assessment, policy and goals

Our Company will not cooperate in illegal transactions or transactions suspected to aim on the laundry of money.

We do business on the basis of honest and ethical management, trust and integrity; We expect the same from everyone with whom we do business.

Our Company will not accept any influence in the decision making by people based on promises, gifts, bribes or kickbacks, or by any other measure that is unethical or that will tarnish our reputation for honesty and integrity. Even the appearance of such conduct shall be avoided.

Gifts, favours and hospitality are to be handled with great caution. Excessive gifts and hospitality can affect our business judgment and can create expectations from third parties. As a result the Company can be embarrassed by its disclosure.

Gifts, favours and hospitality may only be accepted when they are consistent with general accepted business practices and ethical standards and do not in any way violate applicable law. In accepting gifts, favours or hospitality any attempt of bribery or kickback should be avoided.

Staff members who are engaged in procurement activities should safeguard their freedom of action to deal impartially and to avoid conflicting loyalties.

Therefore, gifts, favours and hospitality of any kind. which would obligate or tend to obligate the staff member. must not be accepted. We expect our suppliers to respect our gift policy when doing business with us, just as we will respect the similar policies of our clients.

Giving gifts, favours and hospitality to our business partners are acceptable provided they are appropriate for the business purpose and are not excessive.

Our Company maintains a zero tolerance attitude towards fraud. This is applicable for all our staff members but we also expect our business partners to refrain from fraud.

All the divisions and business units are subject to general policies. procedures and control mechanisms to prevent and detect fraud.

Reports of fraud or attempt of fraud will be seriously investigated and reported to the Board of Directors. followed by appropriate sanctions. if necessary.

The policies and procedures are reviewed and updated yearly and are further regularly discussed with senior managers.

Implementation (actions) 2015

Topic 1. Procedure review

Primary actions on Anticorruption relate to the yearly review of procedures and discussion between the Board of Directors and senior managers on the effectiveness and completeness of the procedures, breaches, and incidents.

Topic 2. KYC (Know Your Customer) procedure

The Company has intensified its activities aimed at gaining a better understanding of its customers and suppliers and sophisticated CSR software filled with all kind of client details is in place. As the Company works with a large number of business-to-business clients and suppliers there was a need to analyse the availability of complete information per relation. The Know Your Customer (KYC) procedure includes the inputting of all the relevant customer data (name, address, e-mail address, website, VAT number, bank account number, etc.). The procedure is applicable for all new relations and the data of all relations is updated annually. In order to avoid corruption, bribery, fraud and other unethical behaviour, the relations and their Ultimate Beneficiary Owner(s) are checked with the OFAC and the EU Sanctions list. Throughout the Company there is extensive knowledge of the content and impact of the Foreign Corrupt Practices Act (FCPA).

The KYC procedure is further relevant to some of our Key suppliers, for example manufacturers that work in the Liquor and Tobacco industry. In order to avoid corruption, bribery, fraud and other unethical behaviour, these large suppliers are extremely satisfied with our initiatives to uphold professional procedures and need to be assured that the Company has an effective KYC procedure in place, also in relation to applicable legislation.

Topic 3. Known supplier recognition

During 2015 we have also intensified our actions related to our suppliers. To optimise procedures and to ensure a transparent supply chain of goods the Company has set-up a UN project team of specialists from purchasing, sales and logistics. The Royal Capi-Lux division operates retail outlets at a number of airports. At Amsterdam Schiphol airport the division runs a total of 6 shops divided over landside and airside. As far as the products sold in the shops are concerned, mainly a variety of electronic items, Royal Capi-Lux has been recognised by the Dutch Government (Royal Marechaussee) as a 'Known Supplier of Inflight Supplies'. This status implies that the security measures taken by Royal Capi-Lux are approved by the Government and comply with National and European legislation.

Topic 4. Staff training

Each year, the Company provides its staff with dedicated training courses in which also the risks of corruption, bribery and other unethical behaviour is dealt with based on (internal) cases and cases from the industry.

Measurement of outcomes

Anti-corruption		
Company relevance	Mainly related to liquor and tobacco products.	
Risk level	Medium.	
Related UN principles	10.	
Goal	Avoid corruption, extortion, bribery, fraud and other unethical behaviour.	
References and policies	Annual Reports. Corporate Code of Conduct. KYC procedure. Suppliers Form	
Topic	Action	Outcome
Procedure review	<p>The Company has firm policies and procedures in place, which are regularly reviewed, discussed, updated, promoted within the Group.</p> <p>The Company has a long track record with high ethical standards, resulting in the long-term trust of many stakeholders.</p>	No relevant breaches to report for the reporting period.
Periodic review with senior management.	Periodic review with senior manager on the breach of policies.	Nothing to report.
Know your customer procedure.	Improvements on KYC procedure.	Working with reliable companies and avoiding fraud.
Know your supplier.	Improvements on the Know Your Supplier procedure	Improved information regarding suppliers allows B&S to choose more reliable partners.
Staff training	Training of staff on relevant issues, based on case within the industry, for example VAT carousels, its effect and how to recognise such fraud.	Yearly action that improves the knowledge of staff.

Publication date: February 26, 2015

Texts and illustrations of this document and all its individual items are subject to copyright of its respective owners. All information and data are provided for informational purposes only, B&S has strived to provide information in this brochure that is fully accurate and up-to-date. However, no legal rights can be derived from its content. Neither B&S nor any of the content providers of this brochure shall be liable for any errors in the content - including typographical errors - nor for any actions taken in reliance thereon.

To all agreements whereby we act as seller our general terms and conditions of sale, delivery and payment apply, and to all agreements whereby we act as buyer our general terms and conditions of purchase apply, which you have received from us, and which are also deposited at the commercial register and published at www.bs-gg.com. We expressly reject the applicability of your terms and conditions.